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ABSTRACT

This document, a transcript of hearings conducted by a Congressional committee in San Diego, evaluates the administration and effectiveness of laws enacted by the Congress to assist veterans in obtaining job training and employment. Particular emphasis was placed on the implementation of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77, and the Veterans Administration's vocational rehabilitation program, as amended by Public Law 96-466. Testimony was given and prepared statements submitted at the hearings by representatives of veterans groups, representatives of programs serving veterans, and disabled veterans, among others. In general, witnesses were pleased with the legislation, which provides up to $10,000 to employers to train a veteran to become a permanent employee and other incentives created to attract employers. Witnesses noted, however, concerns among veterans about eligibility requirements, training provisions, payments from the government to employers, and the relationship between veteran and employer when one or the other does not live up to the terms of the training agreement. Those who testified cited an urgent need to make employers and veterans more aware of the programs available through the legislation, and especially methods of informing employers about the program and convincing them that they would not have to go through layers of bureaucracy. (KC)

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VETERANS' JOB TRAINING AND EMPLOYMENT

HEARING

BEFORE THE

SUBCOMMITTEE ON
EDUCATION, TRAINING AND EMPLOYMENT

OF THE

COMMITTEE ON VETERANS' AFFAIRS
HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

SECOND SESSION

JANUARY 1[illegible] 1984

Printed for the use of the Committee on Veterans' Affairs

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CONTENTS

JANUARY 12, 1984

	Page
Veterans' Job Training and Employment	1

STATEMENTS OF COMMITTEE MEMBERS

Chairman Marvin Leath	1
Hon. Gerald B. H. Solomon	2
Hon. Lane Evans	44

WITNESSES

Baker, G. Robert, team leader, San Diego Veteran Center	25
Prepared statement of Mr. Baker	73
Blum, John, president, Vietnam Veterans Leadership Program; accompanied by Paul Grasso, executive director, and Ted Owen, secretary, board of directors, Vietnam Veterans Leadership Program	24
Prepared statement of the Vietnam Veterans Leadership Program of San Diego, Inc	74
Gillingham, Charles R., State chairman for civil service and employment, Veterans of Foreign Wars	37
Prepared statement of Mr. Gillingham	79
Halsey, Glen, State of California Employment Development Department	17
Prepared statement of Mr. Halsey	71
Herrera, Jack, chief, division of veterans' services, California Department of Veterans' Affairs	22
Prepared statement of Mr. Herrera	72
Jarret, Arthur, State commander, the American Legion	33
Miller, Ronald L., California State Director for veterans employment, U.S. Department of Labor, accompanied by James Griffin, Assistant State Director for veterans' employment, State of California	14
Prepared statement of Mr. Miller	70
Pouliot, Donald J., aid to the national commander, Disabled American Veterans	31
Prepared statement of Mr. Pouliot	75
Rainwater, Herbert R., Director, VA Regional Office, San Diego, Calif.; accompanied by Patrick Shelley, veterans service officer, and Donald Tisch, vocational rehabilitation counseling service	6
Prepared statement of Mr. Rainwater	47
Szumonowski, David, on behalf of Hon. Bill Lowery, a Representative in Congress from the State of California	4
Prepared statement of Mr. Szumonowski	46
Terry, Frank W., Public Affairs Area Director, VA Office of Public and Consumer Affairs, Los Angeles, Calif	12
Prepared statement of Mr. Terry	51
Van Keuren, Robert, president, Chapter 125, Vietnam Veterans of America	34
Prepared statement of Mr. Van Keuren	78
Warehime, Reason, Department of California, AMVETS	39
Prepared statement of Mr. Warehime	81
Wilkinson, Jay, on behalf of Hon. Duncan Hunter, a Representative in Congress from the State of California	3
Prepared statement of Congressman Hunter	45

MATERIAL SUBMITTED FOR THE RECORD

Page

Articles:
"Employers, Veterans Hail Job Program," from the San Diego Union, January 8, 1984 76
Statements:
Carpowich, Charles A 83
Cameron, Peter T., program analyst, Center for Community Economics 82
Written committee questions and their response:
Chairman Leath to Ronald L. Miller, State Director for Veterans' Employment and Training Service, California 84

VETERANS' JOB TRAINING AND EMPLOYMENT

THURSDAY, JANUARY 12, 1984

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EDUCATION,
TRAINING AND EMPLOYMENT,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 9 a.m. at 1600 Pacific Highway, San Diego, Calif., Hon. Marvin Leath (chairman of the subcommittee) presiding.

Present: Representatives Leath and Solomon.

OPENING STATEMENT OF CHAIRMAN LEATH

Mr. LEATH. The subcommittee will come to order, please.

We are pleased to be holding this hearing in San Diego, which is represented by our distinguished colleague, Jim Bates. Our committee receives very strong support from all the members of the California delegation on veterans' legislation. In that regard, we are looking forward to testimony on behalf of Congressman Duncan Hunter and Congressman Bill Lowery this morning.

The Subcommittee on Education, Training and Employment of the House Committee on Veterans' Affairs is meeting today in San Diego to evaluate, at the grassroots level, the administration and effectiveness of laws enacted by the Congress to assist veterans in obtaining job training and employment. Particular emphasis will be placed on the implementation of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77, and the Veterans' Administration's vocational rehabilitation program, as amended by Public Law 96-466.

I introduced, and the Congress later passed, Public Law 98-77 in response to the severe employment difficulties experienced by Vietnam era and Korean conflict veterans. The severe recession and fundamental structural changes in the American economy exacerbated preexisting employment problems and contributed to the highest unemployment rate ever recorded for these groups.

While these veterans were serving their country, their nonveteran peers were pursuing their education and careers, giving them a headstart on returning veterans. As the recession deepened and employers found it necessary to lay off workers, veterans who did not have the seniority of nonveterans were the first to go.

The purpose of the program established by Public law 98-77 is to create new on-the-job training opportunities for Vietnam era and Korean conflict veterans by providing incentives for employers to hire and train those veterans for positions that involve significant

training or retraining. Under this program, the U.S. Government will reimburse an employer 50 percent of the veteran's starting wage, up to $10,000 per veteran, to defray training costs.

A veteran may enroll for a maximum 9-month training period except in the case of a veteran with certain service-connected disabilities who is allowed a maximum of 15 months training. This program is now fully funded for fiscal year 1984 at $150 million. For this job training program to be fully utilized and assist as many veterans as possible, employers must be made aware of the opportunities available to them and encouraged to hire veterans under the Emergency Veterans' Job Training Act of 1983. Today we want to evaluate actions taken in this area to promote this program and review the application of the implementation procedures as designed in the central office.

Additionally, we want to review today an important program for service-connected disabled veterans, the vocational rehabilitation program, as amended by Public Law 96-466.

Because of Congress deep concern that these disabled veterans should receive all possible assistance to help them overcome their employment handicaps caused by their war service, the Congress amended and updated the vocational rehabilitation program, as provided in Public Law 96-466. The vocational rehabilitation program, as amended, not only restores employability, but provides employment and placement services so that the veteran is employed in a job for which the veteran was trained.

The subcommittee wants to know if the Veterans' Administration has fulfilled these two aspects of the vocational rehabilitation program, and if there are problems or unexpected developments which need to be looked at to make the program more effective and more successful.

Without objection the hearing record will remain open to receive additional material for the record.

Before we proceed to our first witness, I want to introduce Congressman Gerald Solomon, the ranking minority member of the Subcommittee on Education, Training and Employment. I appreciate Congressman Solomon being here today and thank him for the tremendous support he gives to the full committee and subcommittee, especially in cosponsoring and helping us develop Public Law 98-77. His help has been absolutely invaluable.

Jerry, I would be delighted for you to make any comments you might at this time.

OPENING STATEMENT OF HON. GERALD B. H. SOLOMON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. SOLOMON. Thank you very much.

Since we have a large number of witnesses we are all anxious to hear this morning, and since the chairman has done such a good job of describing our objectives in San Diego, I will be brief and just add a couple of comments.

I agree with everything Mr. Leath has said this morning about the importance of our travels in the field to speak with those people who are responsible for actually delivering the services to

our veterans, and those with hands-on experiences with our VA programs.

I know the frequent meetings I have with veterans' service group leaders in my home State of New York are extremely useful in learning about the implementation of Federal programs, and even more importantly we can take advantage of the many helpful suggestions from those in the field.

The primary subject of our hearing today will be as Marv has said, the new emergency veterans job training program created by Public Law 98-77, which I was very proud to work with Chairman Leath in writing and passing.

As the ranking Republican on this subcommittee, I am very proud of our success in passing that bill last year. I am grateful for the outstanding leadership Chairman Leath has provided in bringing this law about. I am also very interested in receiving the initial reports on this new program here this morning. I look forward to hearing from all of our witnesses.

Marv, thanks for doing such an excellent job on that bill. Thanks also for having this hearing out here in San Diego.

Mr. LEATH. Thank you, Jerry.

Let me say before I call our first witness that we do have all of your written statements which will be made a part of the hearing record. We would appreciate it very much if, for the sake of time, you would summarize your statements. That will give us the opportunity to have some dialog with you, to ask some questions.

Our first witness this morning will be Mr. Jay Wilkinson, who is the district administrator for Congressman Duncan Hunter. Mr. Wilkinson, we welcome you this morning to the committee.

STATEMENT OF JAY WILKINSON, DISTRICT ADMINISTRATOR, CONGRESSMAN DUNCAN HUNTER'S OFFICE

Mr. WILKINSON. Thank you, Congressman.

I have already given a copy of our testimony for insertion in the record.[1] Just let me make a couple of brief remarks in the interest of time.

As you are probably well aware, Congressman Hunter is himself a Vietnam veteran. He probably wouldn't say this, but I will tell you he is a winner of the Bronze Star in action over there. So he is well acquainted with the problem. He is very, very concerned about the Korean and Vietnam veterans and expresses his great interest in what you all are doing.

He believes sincerely anything we could do to help the Korean and Vietnam veterans will be not only of interest to them but of interest to the entire country. We would appreciate very much anything we could do to help contribute to your cause.

Thank you very much.

Mr. LEATH. Thank you, Jay.

Let me just say, having served with Duncan now for 3 years on the House Armed Services Committee, I can sincerely tell you and the people that he represents that there is no more dedicated and finer Member of Congress than Duncan. Duncan has done truly an

[1] See p. 45.

outstanding job. He probably knows more about the very complex areas of the Department of Defense than any member on that committee, even though he has only been there for 3 years.

We are delighted to have you here. Please give our best to him, because he is a very valued colleague.

Mr. WILKINSON. I certainly appreciate that. I will be seeing him later on today and pass on those remarks. Nice to have Texas, New York, and California, three great States, represented here today. Thank you very much, sir.

Mr. LEATH. Thank you, Jay.

Our next witness will be Mr. David Szumonowski, assistant to Congressman Bill Lowery's office. Dave, we are delighted to welcome you here this morning.

STATEMENT OF DAVID SZUMONOWSKI, ON BEHALF OF HON. LILL LOWERY, A REPRESENTATIVE IN CONGPESS FROM THE STATE OF CALIFORNIA

Mr. SZUMONOWSKI. Thank you, Mr. Chairman.

My name is David Szumonowski. I am representing Congressman Bill Lowery this morning. I am also an attorney in San Diego and the national secretary of the Blinded Veterans' Association. I also serve on the board of directors of the Vietnam Veterans of San Diego and Vietnam veterans leadership program.

My comments this morning are going to be limited since we have submitted written testimony. However, there are a few salient points which Bill Lowery has asked me to make to you this morning.

Although the trend of unemployment in this country is down some 5 percentage points from approximately a year ago, it still rests at some 12.1 percent for veterans in the age group of 25 to 29. The same age group for nonveterans, the unemployment rate, rests at 8.4 percent, which indicates a 50-percent increase for the veteran population in its unemployment rate.

Although statistics for San Diego itself are not readily available, it is estimated that the veteran unemployment rate here is some 4 percentage points above that of the nonveteran population for the same age bracket.

There are three specific points which Congressman Lowery has asked me to relate to you. The first is to commend you and your subcommittee and the entire Veterans' Affairs Committee for providing a cost-effective piece of legislation. Not only have you limited the administrative costs of implementing this legislation to a mere 3 percent, which of course means the vast majority of funds are available for training vets, as the law intended, but also you have not created another layer of bureaucracy to provide a service which essentially is an extension of services already available through the Veterans' Administration.

Of particular interest to me personally and my appreciation is expressed herein, you have given specific language to the disabled veterans. I think Department of Labor statistics will prove out that severely disabled veterans are having a more difficult time finding suitable employment due to the mental and physical barriers that are placed in their path by employers and others. This legislation

not only provides extended benefits for disabled veterans, but it also provides incentives for employers who are willing to make accommodations for veterans through structural changes and others.

Mr. Chairman, I think the real challenge to this legislation rests on whether or not we can provide an effective and an efficient process of implementing it. By way of illustration, and I will not quote numbers, because I think the next speaker up has more accurate information on up-to-date figures, but suffice to say that there are over 100,000 Vietnam-era veterans in San Diego County, another 45,000 Korean conflict veterans, and of that total, the numbers who have applied for this program in the first 2 months is woefully low.

In San Diego we commonly refer to this area as America's finest city and we boast more than 35,000 businesses of all sizes. Yet as of the end of the year, perhaps a dozen or so businesses had applied for certification to train veterans.

In closing, gentlemen, I would like to say that the tradition of this country, based on pride for the most part I think is to find a solution to our problems as individuals. The Government can provide stopgaps, industry will hire and fire as the business cycle demands, and labor will seek everything it can for its workers, and try to hold on to it.

The only way we can succeed in putting America back on sound economic footing is to put it back to work, and the best people to start with are those who have fought to keep America free. We all must make sacrifices and we all must take action now to work on a broad range of fronts to implement this legislation. And Public Law 98-77 goes a long way toward easing some of the economic and human pain associated with joblessness.

Gentlemen, I have nothing further to add beyond what is in our written testimony and within the parameters of my experience I will answer any questions you may have.

[The prepared statement of Mr. Szumonowski appears on p. 46.]

Mr. LEATH. David, we thank you very much. I think the most important, key point you have made is the need to make this program known to employers. Certainly that is an area where those of us who actively serve in the Congress can be of great assistance.

Mr. SZUMONOWSKI. If I can add one final comment, Mr. Chairman. Bill Lowery has assured me his office will stand ready to reach out to the community veterans groups and businesses to help any way he can. He also feels it is incumbent upon you, the members of the House Veterans' Affairs Committee, who are more finely tuned to veterans' issues, because you work with it on a weekly or daily basis in some cases, to educate your colleagues within the Congress so that they can go back to their districts armed with the knowledge of this law and use all the resources at their command to educate the veterans groups and especially the businesses in their communities, or else this law is going to be a mere dream.

Mr. LEATH. You are absolutely right, David. We recognize that. Of course that is one reason we have hearings such as this, to have the opportunity to focus attention on a program. I think through the VA and the veterans organizations we will be able to get the

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word out to veterans. I think the crucial thing now is to get the word out to employers.

At this point I yield to my colleague, Mr. Solomon.

Mr. SOLOMON. Thank you.

Dave, I want to thank you for your remarks, too. Many of the points that you made reflect the legislative intent on the legislation that Congressman Leath and myself helped draft back at the inception of the bill.

I would like to take also a minute to mention that Congressmen Bill Lowery, Duncan Hunter, and Jim Bates were very instrumental in us holding a hearing here in the San Diego area. There were many areas where we were requested to go, but San Diego does have a large concentration of Vietnam veterans and disabled veterans, and that is why we came here which we thought was very appropriate. I want to commend Bill Lowery in particular, since you are here speaking for him. He has been a great help to us. I am not only a veteran member of the Veterans' Affairs Committee, but I am also the chairman of the Republican Task Force on National Defense Policy, and a ranking member on the Foreign Affairs Committee. Bill has been very conscientious in his help to me in those capacities.

I hope you relay that back to him. I thank you very much.

Mr. SZUMONOWSKI. I certainly will, Congressman. Thank you both.

Mr. LEATH. Thank you, Dave.

Our next witnesses will be a panel headed by Mr. Herbert Rainwater, Director, VA regional office, San Diego, accompanied by Mr. Patrick Shelley, Veterans Service Officer, Mr. Donald Tisch, Vocational Rehabilitation Counseling Service, and Mr. Frank Terry, Public Affairs Area Director, Veterans' Administration.

STATEMENT OF HERBERT R. RAINWATER, DIRECTOR, VA REGIONAL OFFICE, SAN DIEGO, CALIF., ACCOMPANIED BY PATRICK SHELLEY, VETERANS SERVICE OFFICER; DONALD TISCH, VOCATIONAL REHABILITATION COUNSELING SERVICE; AND FRANK W. TERRY, PUBLIC AFFAIRS AREA DIRECTOR, VETERANS' ADMINISTRATION

Mr. LEATH. We are delighted to welcome you this morning. I understand from your visit earlier you are a longtime friend of my dear friend, Tiger Teague, who is still "Mr. Veteran" as far as those of us who are familiar with what has happened to veterans benefits for the last 35 or 40 years.

We are happy to welcome you here this morning.

STATEMENT OF HERBERT R. RAINWATER

Mr. RAINWATER. Thank you very much, Mr. Chairman, Mr. Solomon.

The Veterans' Administration is pleased to have the opportunity to share with this subcommittee the progress that has been made toward implementing Public Law 98-77, the Emergency Veterans' Job Training Act of 1983. We are particularly pleased and honored that the author of the bill, Chairman Marvin Leath, has taken time from his busy schedule to honor California and San Diego vet-

erans by conducting these hearings, in America's finest city. I don't work for the chamber of commerce, but I tout the city quite a lot, Mr. Chairman.

We are encouraged by the productive relationship that has grown between the three VA regional offices in the State of California, the offices of the Veterans Employment and Training Service of the Department of Labor, and California's Employment Development Department. We believe that will help us to find meaningful job training under Public Law 98–77 and insure that the resources of the three agencies are used effectively to meet the employment and training needs of veterans with a minimum of duplication and delay.

I will now summarize our efforts to implement Public Law 98–77 in the San Diego area: [1]

On August 19, 1983, we received our first inquiry from veterans regarding the Emergency Veterans' Job Training Act. By October 14, when application forms first became available, we had received 118 inquiries from veterans, and forms were mailed in response to those inquiries. Applications are now being mailed on a daily basis to veterans who have inquired about the program.

On September 12 and 13, Mr. Dennis Rhoades from the VA regional office, Veterans Services Division, in Los Angeles, met with officials from the California Employment Development Department, including John Healy, the assistant deputy director, to discuss our mutual responsibilities in implementing Public Law 98–77.

On September 30, the Veterans Services officers from the three regional offices in California, along with representatives from field offices of the Department of Labor, State employment service representatives, and other Veterans Services officers from the western region, attended training on Public Law 98-77 in Reno, Nev. The training was conducted by VA specialists from Washington, D.C., and the Department of Labor.

On October 3, our Veterans Services officer met with Jim Cauhape, Administrator, District VIII, San Diego County Employment Development Department, and made preliminary arrangements to conduct training for selected veterans employment representatives and Disabled Veterans Outreach representatives.

Presentations and training were held during October for the following groups and individuals:

Chapter 2, Disabled American Veterans at their regular monthly meeting; service officers of the veterans service organizations; State of California employment development department, Mr. Joe Hollinshead; Vietnam Veterans of San Diego at their monthly meeting; Employment Development Department employees and Vet Center representatives from San Bernardino and Riverside Counties at the VA Medical Center, Loma Linda.

Approximately 40 representatives of the Employment Development Department were briefed in an all-day session at the San Diego regional office. The Los Angeles and San Francisco regional offices held similar sessions in other locations throughout the State.

A list of employers who had requested information on Public Law 98–77 was given to Joe Hollinshead so that he and his Dis-

[1] The full statement of Mr. Rainwater appears on p. 47.

abled Veterans Outreach representatives could assist those employers with their applications.

Mr. Paul Grasso, director of the Vietnam veterans leadership program, and his staff assistant met with our veterans services officer and agreed to assist in getting city and county officials to participate in this program.

In early November, Mr. Joe Hollinshead was appointed the employment development department's liaison between the department and the San Diego regional office. Daily contacts are made through Mr. Hollinshead. All information or requests for assistance from the Disabled Veterans Outreach representatives come through him, and all forms, brochures, and requests for contacts with employers are sent through him. This single contact point with the employment development department has been very helpful to our people. Since funding was not received by the VA until November 29, the employment development department deferred most contact with employers until after that date.

As of December 30, 1983, 760 applications from veterans have been received.

There is a revision to that as of yesterday; 925 applications have been received; 581, or 63 percent, have been approved; 407, or 44 percent were referred for counseling; and 126 were denied. Presently, 216 are under development. The basic reasons for denial generally are: The veteran did not have the requisite Korean conflict-Vietnam era service or character of discharge, or the length of unemployment was not 15 out of 20 weeks immediately prior to the submission of the claim.

The veterans have exhibited concern about the duration of their certificates of eligibility, the ease or difficulty of renewal, the availability of training opportunities, identifying suitable training, developing an approved training program, payments to employers, and other issues.

We are trying to meet these needs for information and assistance in a number of ways. Weekly workshops are held for veterans requesting counseling. The objectives are to provide orientation to the program, motivate veterans, and teach job search and interview skills.

After these workshops, a veteran's needs are assessed and he or she may be referred for more comprehensive evaluations and other counseling services. For those who cannot attend these group sessions, job counseling is provided on a walkin basis.

In addition, we coordinate our efforts with job service counselors and the twice-monthly Small Business Administration workshops presented by the Senior Corps of Retired Executives.

We maintain a close relationship with the State employment agency. There are daily contacts with the four Disabled Veterans Outreach representatives assigned to this office and weekly meetings with their supervisor. We maintain close liaison with the two veterans centers in our area, meeting at least monthly to exchange information and referrals of veterans who may need our service.

Approximately 45 veterans have filed emergency veterans' job training applications as a result of this contact. Weekly meetings are held with the vocational counselors of the VA Medical Center,

and 18 job training applications have been received as a result of these meetings.

Additionally, liaison meetings are held as needed with other agencies, such as the State rehabilitation service, private rehabilitation agencies, the welfare department, and service organizations.

Mr. Chairman, this concludes my testimony on Public Law 98-77. However, I was requested by staff to comment on service-disabled veterans pursuing training under chapter 31.

We also furnish employment assistance to eligible service-disabled veterans who are determined job ready but are in need of services to obtain or maintain employment. Service-disabled veterans pursuing training under chapter 31, the vocational rehabilitation program, are eligible for employment assistance as are service-disabled veterans who have been prior chapter 31 applicants or who have been prior participants in a program authorized under the Rehabilitation Act of 1973, as amended.

These disabled veterans are provided comprehensive assistance in obtaining employment. More specifically, to insure that comprehensive employment planning takes place, an individualized employment assistance plan identifies the specific services which the veteran will need in order to obtain and maintain employment, as well as the community agencies and organizations available to provide these services.

Employment services can include any of the following: job placement assistance by VA staff; utilization of employment incentive programs such as targeted jobs tax credit and Public Law 98-77, the Emergency Veterans' Job Training Act of 1983; counseling and other services; job service, including the network of Disabled Veterans Outreach program staff; payment of supplies and licensure examination fees; medical care; other appropriate services needed for obtaining or retaining employment.

Employment services may be authorized for a period of up to 18 months, and more in certain cases, to insure that the service-disabled veteran receives the assistance needed in obtaining or maintaining employment. When the veteran has shown that a stable adjustment has been made for 90 days or more, he or she is declared rehabilitated.

During the period from October 1, 1982, to the end of December 1983, 127 disabled veterans were provided employment services. Of this number, 94 are currently employed and 33 are not yet employed or have moved to other locations.

Those who are not yet employed are provided continuing assistance under the individualized employment assistance plan, including use of the emergency veterans' job training program as appropriate. Unemployed veterans who have moved are informed of the availability of employment services in their new community as prescribed in the employment plan.

In conclusion, Mr. Chairman, the Veterans' Administration is highly pleased with the coordination and cooperation we have had among the agencies here in California and we are looking forward to providing California's veterans with the kind of employment training which will lead to stable, productive careers and lives.

Mr. Chairman, I want to compliment you and Mr. Solomon on authoring this bill. I think it fills and bridges a position that has

been needed for some time. This bill, if extended to its conclusion successfully, will provide a job at the end of the 15 months or 9 months, something that some of the other bills do not do.

I have had some experience in the jobs field, having been the Director of Veterans Employment in the U.S. Department of Labor in the years 1971 to 1973.

I will now, Mr. Chairman, be happy to answer questions. But before I do, on my right is Mr. Pat Shelley, our Veterans Service officer, who has first contact with these veterans, either at the desk side or through telephonic means; and Mr. Don Tisch, chief counselor in the Rehabilitation Section of the Veterans' Administration.

This office serves three counties—San Diego, Imperial, and Riverside with 360,000 veterans population.

Mr. LEATH. We thank you, Mr. Rainwater, for excellent testimony. It sounds as though you are doing quite well in this area.

Are you satisfied with the length of time between the submission of an application of a veteran and the issuance of a certificate of eligibility?

Do you think this is working in a timely fashion? Or do we need to do something else?

Mr. RAINWATER. Mr. Chairman, there was a slight delay in the issuance of these during the fall session, because we have our annual income questionnaires for vets who are drawing a pension. As was pointed out here, we have no additional staff. We are assimulating this in our current staff.

But we are now moving rapidly, as you can see, having increased that much in the last few days, and we will catch up with the processing probably by the end of this month.

That is not going to be our problem. Our problem, as pointed out by a former speaker here, will be in securing enough of the private sector participation. The employers are the final answer to this program.

I think this consortium gathered here that will testify has the ability and the means to administer the program without additional cost probably to the program itself, as far as administration.

But we must alert the business community as we did some time ago, as you recall back in the late sixties, early seventies, with the jobs for veterans program, the National Alliance of Businessmen, where we really went to the employer and sold many on the participation in the program. That is going to be our biggest problem.

Mr. LEATH. Have you developed some ways that we might get that word out? Can we get assistance from the chamber of commerce, for example?

Mr. RAINWATER. They are here. I believe they are going to participate. I don't know if they are speaking or not. Chamber of commerce representatives are here. We have found this community of business people always amenable to urgings such as this when they see it is a meaningful program.

I think it is a meaningful program, not a make-do kind of work program, and I think we will get into that. I think that they will participate eventually. But it is going to take a lot of manpower from the department, employment security division of the Department of Labor of the State of California to reach out to these local business people.

Mr. LEATH. Have there been any plans made for monitoring of employer job training programs as the program goes along at this point?

Mr. RAINWATER. There is a compliance section within the law that we will be following. Guidelines are under development and not yet released from central office. But we have other compliance programs in education, and they will be similar to the program of compliance in education.

Mr. LEATH. Do you have a career development center in the area? If so, what role has the center played in the implementation of the program?

Mr. RAINWATER. We have a career development center in the San Diego Regional Office. We were the first in the Nation to have one. We pioneered one here. That is part of the success of the disabled veteran program under chapter 31—we have utilized the department, employment security development agency in the State of California--four people in my building who work on jobs. So the career development center under Mr. Joe Hollinshead, who is working for the State, will play a great role in this.

Mr. LEATH. Have any of the employers who have applied for the program up to this point wanted to utilize the training center services of an educational institution?

Mr. RAINWATER. No—straight jobs. They are like mobile home construction, plastic industry, sales of electronic equipment, sales of hardware, truck repair. They are jobs. They are not education or a combination of education and on-the-job training.

Mr. LEATH. I would assume that you probably have in the area, as we do in Texas, very fine vocational training institutions, vocational education institutions. Has there been any effort made at this point to coordinate with those people something like, say, you may know employers that come and ask you to train certain technicians for certain jobs?

Mr. RAINWATER. I will have Mr. Shelley respond to that, if you will.

Mr. SHELLEY. Our education liaison representative, Mr. Bob Weston, held a seminar for representatives from the educational institutions last month, sir, and began the coordination at that point with the schools. We have a number of approved programs already, particularly here in the city of San Diego, and in Riverside, and some of those have expressed interest in participating, sir.

Mr. LEATH. I think that is something I would encourage you to do. I feel in a high technology classification, and certainly there is a lot of that in southern California, that there have to be a lot of employers who contact vocational training institutions and say "Can you find me this type of technician," or another type technician. And that would be an excellent point at that time for the educational institution to help us promote the program and say "Yes. By the way, are you aware there is a veterans job training program available to you that will assist in us training that particular disabled veteran?" I would hope we would pursue that on a national basis.

Mr. Terry, we are delighted to have you here today from Los Angeles to let us know of the activities of your office in the four States you serve in, in cooperation with the Department of Labor.

Effective outreach to both employers and veterans, of course, is critical to success of the program. We appreciate the submission of your testimony for the hearing record which will be included in toto. We appreciate the favorable results achieved so far in this region.

Would you have any comments you would like to make before Mr. Solomon asks his questions?

STATEMENT OF FRANK W. TERRY

Mr. TERRY. Well, only to thank the committee for this opportunity certainly to bring before you our promotional publicity efforts. I want to mention again for the record the participation on the part of my colleagues, both in the Department of Labor and in the VA that are part of our publicity team.

As you know, the act calls for a combination of effort between the Department of Labor and the Veterans' Administration. And we have had that kind of excellent cooperation. And we have formed a working team that we feel has been working very successfully.

[The statement of Frank W. Terry appears on page 51.]

Mr. LEATH. I appreciate that.

Congressman Solomon and I believe very strongly that this legislation will work like a charm if we can make the private sector familiar with its existence and convince them to participate in the program. I fully believe between the Department of Labor and VA we have the ability to implement it.

Mr. Solomon, do you have any questions?

Mr. SOLOMON. Congressman Leath has asked most of the questions I was interested in.

Mr. Rainwater, you mentioned some of the kinds of jobs that were being used. What kind of employers have expressed interest in the program? In other words, are they the same employers that have been interested in VA training programs in the past, or are they new groups? Is there any differentiation there?

Mr. RAINWATER. About half and half.

Mr. SOLOMON. First of all, Mr. Terry, I want to congratulate you also on the creative information campaign you have launched concerning this new law. I am particularly impressed with the televised interviews with those employers already participating in the program. It seems as though you have done a really outstanding job in getting the word out about these programs.

Are there any plans to target information about this new law to specific types of businesses? For example, high technology, farming, manufacturing—anything of that nature?

Mr. TERRY. Well, that was going to be our second phase; it was to try to approach the myriad of trade organizations, industry groups, to appear before them. We have scheduled meetings. For example, tomorrow Tom Skinner, from the Los Angeles regional office, will be addressing the Governor's Committee on Employment of the Handicapped in an effort to get them to tie into our publicity effort, to inform them of the act.

Also we have scheduled an appearance by the regional director of Los Angeles to be a featured speaker at the March 14 meeting of

the Town Hall of California. We are trying to establish scheduling for other similar groups.

This is a long process, because it involves more logistics and more time. But we felt that first we should gain some momentum in the formal publicity type effort first, so that people would be aware of the program.

I might add, sir, that those employers that we have talked to for the most part have been very enthusiastic about the program. Even the employers that were reluctant to be interviewed—their reasons for not wanting to be interviewed were they felt they would not make a good appearance or were not articulate enough, or they were afraid right now they would get a run on their businesses. But we didn't run into anybody who was against the program, who felt it was not worthwhile.

Mr. SOLOMON. That is very good. You seem to be very far advanced.

Any further planning, such as your phase two that you have coming up, we would be interested in receiving some communication from you. We might be able to pass that on to other areas.

Mr. Rainwater, again I want to thank you for your tremendous testimony today, too. It has been very helpful.

Mr. RAINWATER. Thank you.

May I add to Mr. Terry's testimony? He is probably not aware of what we have done. The week after Christmas we mailed a letter to 1,900 business people. Responses are now beginning to come in. Interest is beginning to come in from that mailing. We had a combination of lists from Employment Development Security Division and our own of employers who participated in OJT programs in the past and employers generally in the neighborhood.

Mr. SHELLEY. The timing on those was such that we waited until after the Christmas period. We felt it would be the most productive time for mailing to businesses. Right before Christmas we were advised was not the greatest time to do that. And I think the last couple of days we have had seven or eight applications come in that are not in the figures we already gave you. We think that is a result of this mailing.

Mr. SOLOMON. Perhaps once the results from the mailing are complete, maybe you could let us know so that we could bring our figures up to date, too. I think that is very good.

Mr. SHELLEY. We would be very happy to.

[Subsequently, the Veterans' Administration furnished the following information:]

The results of the mailing are as follows: 21 employees approved; 90 job slots approved.

Mr. LEATH. Mr. Tisch, as we go into this obviously increased employer contact and so forth, and the implementation of the new program, would there be any way to improve the placement of some of your veterans when trained that don't actually end up getting jobs?

Mr. TISCH. Currently the law prohibits duplication, as you know, of the benefit program. However, yes, if they cannot get a job in the field for which they are trained, then we can move to train the individual under this Veterans Job Training Act in another occu-

pation. But currently we are prohibited from training a veteran under this act in the same occupation that he or she was trained under chapter 31.

Mr. LEATH. My question wasn't addressed to duplicate training. It was addressed to the possibility that you might take one that you had trained for a specific area and in view of the fact that we just perhaps created a new relationship with a new employer who has never dealt with a veterans program before, you might dovetail in there and say "We have a disabled veteran here trained in such and such, could you use him?"

Mr. TISCH. Oh, yes. We have a vocational rehabilitation specialist who has as his primary duty employment services. He is getting the list of employers who are interested in hiring a veteran. We are making contacts on those. We have done very well—about 90 percent of the disabled veterans have been placed in a related or the exact occupation for which they were trained.

Mr. LEATH. Gentlemen, thank you very much. We appreciate your taking time to come here. You have done an excellent job of articulating what you have done. I think you have done a tremendous job, in view of the fact that you just got notification that the program was funded.

We went through all the holidays, Christmas and so forth, and you are already into it. I am tremendously encouraged, as I know Jerry is, to see the enthusiasm you have. We believe this to be one of the most outstanding programs in the employment training education area that the VA has ever had if it is properly administered and accepted. And I think from what you are telling us here today, you are all certainly on the right track.

We thank you very much.

Mr. SHELLEY. Thank you.

Mr. RAINWATER. Thank you.

Mr. LEATH. Our next witnesses will be a panel with Dr. Ronald Miller, State Director for Veterans' Employment, U.S. Department of Labor, accompanied by Mr. James Griffin, Assistant State Director for Veterans' Employment, Mr. Glen Halsey, State of California, Employment Development Department, and Dr. Jack Herrera, chief, division of veterans' services, State department of veterans' affairs.

Gentlemen, we welcome you this morning. We are delighted to have you here. As we said earlier, if you summarize your statements, we will include the entire written statement for the record.

STATEMENTS OF RONALD L. MILLER, STATE DIRECTOR FOR VETERANS' EMPLOYMENT, U.S. DEPARTMENT OF LABOR, ACCOMPANIED BY JAMES GRIFFIN, ASSISTANT STATE DIRECTOR FOR VETERANS' EMPLOYMENT; GLEN HALSEY, STATE OF CALIFORNIA, EMPLOYMENT DEVELOPMENT DEPARTMENT; AND JACK HERRERA, CHIEF, DIVISION OF VETERANS' SERVICES, CALIFORNIA DEPARTMENT OF VETERANS' AFFAIRS

Mr. MILLER. Thank you very much, Chairman Leath, and Congressman Solomon. I am very privileged to have the opportunity to sit before you today. We left Sacramento yesterday morning. We had a little change in the weather up there—the climate, not the

political weather. It was sunny up there instead of our usual winter fog. We were delayed in Los Angeles because of fog, but when we came to San Diego, of course, we got exactly what we expected, gorgeous weather.

I have with me this morning my assistant, James L. Griffin, assigned to the San Diego County and Imperial County area, to oversee and provide whatever technical assistance there is in the congressionally mandated programs that we within the Veterans' Employment and Training Service, are empowered to provide.

I would like to say that within California, as a whole, over the last year, we saw in our fiscal year of 1983 a dipping down in the number of placements in the first part of the fiscal year, but with a very good rebound in the last two quarters, with California then ending up within a compliance status of the veterans' indicators of compliance that have been established as performance standards for each of the State jobs services.

We are very proud in California to note that the California Employment Development Department, all of its staff, including the disabled veteran outreach program specialist and the Veterans' Employment representatives, that they were able to achieve three out of the four levels as established by these standards, including placement, job development contacts, and inactivations with reportable service. Besides that, the State was able to achieve 16 out of 16 preference indicators in those same fields. This is an indication that the veteran who comes into the local job service office in this State, for the most part, is receiving priority service. We are delighted that we were able to recover to that extent within California in the last year.

Of the other mandated programs that we are empowered to oversee, the disabled veteran outreach program grant agreement, which included the Veterans' employment representatives this year, was negotiated and implemented very successfully—even though there was, because of the change in the veteran population, a reduction of the number of DVOP specialists assigned in California from 220 to 206. We are in the process now of getting down to that number. But it is being done solely through attrition, without any inconvenience or changing of those disabled veteran outreach specialists on board.

I think we are rather proud of the program that we have here, especially when we are talking of the 206 DVOP's and then 115 full- and part-time local Veterans' Employment representatives. We are dealing with a vast number in a large State with a great diversity. And both of you, from large States yourselves, are very aware of that, I am sure.

Under the Job Training Partnership Act, California was slow in getting the Job Training Coordinating Council established and, therefore, they were slow in setting up the service delivery areas. However, once those were set up—and we have approximately 50 service delivery areas in California—they moved ahead with considerable enthusiasm to the implementation of the Job Training Partnership Act in California. For title IV-C funding, which allows the office of the Assistant Secretary for Veterans' Employment to provide a certain amount of money to the various States for specific training programs for the disabled veteran, Vietnam veteran,

and the recently separated veterans, we just have completed reviewing 31 proposals from various service delivery areas and community based organizations in California. Their proposal request totaled $3 million. The set-aside for California for title IV-C money was $585,000. You can see there is a tremendous need out there. The proposals range from a voucher training program, which came from the San Diego area, to clearinghouse referrals, to a statewide coordination effort. They seem to include all of the needs that presently we have in California. At this moment, a regional panel in San Francisco is evaluating those proposals and the recommended ones will be sent to the office of the Assistant Secretary at the end of this week for the final approval. We hope to have the notice of award of the contracts back to the service delivery areas and their program operators sometime around February 1.

In relation to Public Law 98-77, I think a great deal has already been said here of the implementation. I would like to reiterate what has been said by Mr. Rainwater and probably will be said a little further down the line, too. It was very impressive to see three large agencies—the Veterans' Administration, U.S. Department of Labor, and in California, the Employment Development Department—with great diversity among all of us, as well as within our State, to work together so well, so cohesively, to implement Public Law 98-77 as quickly as we did. As was said, within California, as the San Diego regional office indicated, they had two training sessions in their area. We had 11 throughout the State between October 25 and November 1. Some of my staff and some of the employment development staff were on the go constantly during that period—just to get those 11 sessions taken care—within that short period of time.

I think if there was a slowup in the processing of the various applications, this has been very well remedied within the last few weeks, since the end of the year. I note Mr. Rainwater stated about the income questionnaire mailed out after November 1, which had to be dealt with, because of the millions of veterans who would be in jeopardy of receiving their pension checks.

I also feel that the word of the program got so far ahead of what we could actually do at the time, our offices, the Employment Development Department, all had inquiries, and we had to tell them "Wait until after October 1," and then October 1 came, and the inquiries came back—"You have to wait a little longer until we get the people trained and until we are funded," et cetera, et cetera. I think also the month of December is a much slower month when it comes down to working with employers. They are geared up for the Christmas season and/or geared down for shutdown, inventory, et cetera. I expect the number of employers to be certified, which is my main concern at this time, to increase.

I commend you and the House Committee on Veterans' Affairs and, of course, the entire Congress for the program that you have passed and given to us. It is something that meets the needs of our veteran population and at the same time it certainly does not put a great deal of money out there for very little return. We are very hopeful about this. I really believe that we are at a historical watershed in terms of this kind of legislation. I really think it is up to

those of us working in the field, to insure its success or it will be very difficult to have any other kind of legislation along this line.

That concludes my summary, Mr. Chairman.

[The prepared statement of Mr. Miller appears on p. 70.]

Mr. LEATH. It is an excellent summary, Mr. Miller. I am very impressed with what you said there. I have a number of questions to ask you. But I think first, we will allow Mr. Halsey to go ahead and make any statement he might like to make, and then we can visit with the entire panel at one time.

STATEMENT OF GLEN HALSEY

Mr. HALSEY. Thank you, Mr. Chairman, Mr. Solomon. It is indeed a pleasure to present the testimony before your committee this morning. I will just summarize the prepared statement that was given to your committee last night.

The Employment Development Department's primary mission, of course, is to find placement or put people into jobs with the adjunct of the local Veterans' Employment representative and the disabled veterans' outreach specialist. This particular program, Public Law 98-77, falls right into line with both of those. Before I get into any great depth with 98-77, I would like to talk about a couple of other innovative programs California has developed over the last 2 years. One is a subcontract we have with the Center for Community Economics, which you will hear a little bit more about later on. It is a statewide demographic survey to provide us with some additional information on where the employment and training needs are for the State's veterans.

We just concluded a contract between the State of California and Chapman College to prepare individuals that are recently discharging from the service. It is called the Career Awareness Program. It is run basically out of our Hanford EDD office at Lemoore Naval Air Station, but operated statewide; quite a successful program, and in its conclusion had some very significant figures.

The disabled American veterans employment service program is another one we are very proud of. This is a cooperative effort with the Department of Labor and the Federal Office of Personnel Management to place 30 percent or more disabled veterans in Federal employment. As you are aware, there are Federal statutes that allow for direct hire of these particular individuals. On a pilot basis, we operated an office at McClellan Air Force Base in Sacramento, and had between 55 and 60 placements a month just out of that particular office. We are looking at expanding that statewide. And there has been some expansion of that particular program nationwide. Again, the Employment Development Department expanded it or provided their expertise into the States of Nevada, Arizona, and Hawaii.

There are some statistics available on that provided to your committee.

Getting to Public Law 98-77 again, it is a program that we are very proud to help institute here in California. The statistics that we have—and bear with me—the program was only funded or we got word of its funding on November 15; however, we had provided training prior to that date with the assumption that it would be

funded soon. We had 3,087 requests for certification from individual veterans. We had 108 employers requesting certification. We received 35 job orders in the certification processes. We had 36 openings, meaning one job order was for two openings. We made 18 referrals and had 5 hires. Again, that is only about 2 weeks in November that we are talking about. You heard from the Veterans' Administration of the activities that we have ongoing. We have one of the strongest cooperative efforts between the Veterans' Administration, Department of Labor, and the State Job Service that I have ever seen incorporated. We are in contact almost daily, if not two or three times a week, at least. We want to insure the program is effectively instituted here in California, and I think it will be. We have some plans to do some public service announcements, again a cooperative effort between the three agencies.

As we meet here today, my Deputy Director, who was going to prepare the testimony, had some conflicts of time. As we meet right now, he is with the personnel directors of eight aerospace industries in Los Angeles and is promoting Public Law 98-77 with my director, who retired from Lockheed over 25 or 26 years. So they are promoting the program right now in Los Angeles. He thought that was a very appropriate time to go up there.

But I feel, again, that we have been very successful with the notice we received—we had some advance notice, and some preliminary guidelines that came to the Veterans' Administration. The first time we met as a multiagency group was 12 September. By November 1, we had trained over 350 of our staff people in California. Of course, California is the largest State as far as program. We feel that is very significant. All in all, in about 6 weeks we put the program into place. Again, I have to commend the Department of Labor, Dr. Miller's office, Mr. Rainwater, and the other two Regional Directors of VA, because it has been a very, very cooperative agreement. I think we have been very fortunate to institute it and implement it as quickly as we have.

I would be happy to answer any questions you have.

[The prepared statement of Mr. Halsey appears on p. 71.]

Mr. LEATH. I thank you, Mr. Halsey. I am impressed with what you have done in a short period of time and with the excellent cooperation you have had. One thing that just popped into my mind as you were talking that you might think about. The Governor in Texas has taken an extremely strong interest in this program and has held a news conference to publicize the program. We have plans—I was just discussing with counsel here—to visit, the first time we get a chance. Perhaps that is an excellent way to help get some push to the employer's side of this thing in particular—encourage the Governors of the States to not only take an active part in it from the standpoint of public appearance, public service type of announcements, news conferences and so forth, but perhaps get them to even write letters to various high-tech employers regarding this program. So you might encourage your Governor to take a personal interest in this thing and go from there.

Mr. HALSEY. One of the things we have done on public service announcements in a cooperative agreement—Bob Hope, of course, lives here in California and has done some public service announcements for us in the past. We are in the process of developing a

public service announcement that I am sure that he will take for us and we are going to use also the MASH television crew and the After MASH television crew again, who have done some work for us in the past, to promote the program, and I am sure they would be more than happy to have that available for nationwide distribution. Of course, we have a little bit better contact in California because of our Hollywood connection.

Another thing that is going out—the deadline is February 1, but it will be mailed March 1. Again, the Employment Development Department is in a position that we collect State taxes from all the employers in California. There is what is called the California Employer, that comes out quarterly. We will have a news article in the California Employer, and it goes out to 650,000 employers in the State of California, which is virtually, I think, every employer in California. So we will have that blanket coverage as well.

Mr. LEATH. Outstanding. We will just jump right on your offer on the celebrity part of it. I think it would be good if you could do it on a national basis; we would appreciate that help. We will be in contact with you.

Dr. Miller, do the DVOP's in the State of California have the primary responsibility for job development? If not, who does? And are all of your California DVOP's filled at this point?

Mr. MILLER. To answer the last part first, they are filled at this point. In fact, the last check I did was 209 as opposed to the required 206—just simply because it was impossible to make the reduction without having to remove some of the DVOP's. The Employment Development Department felt that they would probably, throughout the rest of the year, get down to the level through attrition.

Yes, the DVOP's have a primary responsibility in job development in California—in those areas of the State where we do not have DVOP's, which could be some of the rural areas, the local veterans' Employment representatives, VER's, were trained to carry out the responsibility of Public Law 98-77. In the metropolitan areas, where we may have local offices with two or more DVOP's, individual DVOP's were selected as the job developers, as opposed to sending every DVOP out. And this would allow them, probably the best job developers, to get out into the field to call on the employers. At the same time it would still allow the local office to be covered and to deal with the veterans coming in for certification and handling any employer calls that may come in at the same time. We thought it would be very effective. This has primarily been done in the southern California area because of the population. I think it has been very effective. The San Diego area is a very prime example of that, through the outstationing of the DVOP's at the Career Development Center at the VA.

I have to really tout that Career Development Center. I think it is one of the best programs ever started, and it was started by a lot of begging and borrowing and getting things. Mr. Rainwater is totally behind the program. I think any veteran that goes in there that doesn't come out with a greater ability to find a job, I don't think there is another center in the country that could match up with it.

Mr. LEATH. Before I preempt my colleague on the questions, let me yield to Congressman Solomon. I will come back with a few more. I would say at this point to all the witnesses, we would like the opportunity to submit to you questions in writing later on. We would hope you would respond to that, and it will be made a part of the permanent record. Also, certain additional statements and information will be included in the hearing record.

I will yield at this point to Congressman Solomon.

Mr. SOLOMON. I thank the Chairman.

Let me just again say that I am certainly encouraged by the testimony that we have heard from this bank of witnesses.

First of all, Dr. Miller, I would like to say I appreciate your candor about the holdup on the appropriation of funds for this new program. Chairman Leath and I were also extremely concerned. We had to keep the pressure on the Appropriations Committee to secure those funds. It is not just up to the Veterans' Affairs Committee, as you know. We realize that this delay caused some confusion in the field, so that we tried to make certain once the money was made available, that everyone in the field would be able to move quickly.

One of the other concerns that we had, as always when you have several departments working on a program, is that we were concerned about the shared responsibilities with the Department of Labor and the Veterans' Administration as well as how they would work with the State agencies.

It certainly is encouraging to hear your testimony, Mr. Halsey, that there was a fine working relationship there.

We went to great extremes to try to make it uncumbersome for this cooperation. I would be interested in knowing if there is any recommendations about how we might make it even less cumbersome than it might be right now. Although you testified it is working fine, if you have any further suggestions, we would certainly like to hear from you on that.

Mr. MILLER. Congressman Solomon, I believe one of the areas that we might have had some concern in was on the veteran application, where counseling could be checked, and a number of the veterans were checking that. It looked like there was going to be a tremendous backlog of dealing with these individuals in a counseling situation before the certification could go through or they would be ready. However, the VA again was able to overcome that through the group counseling, calling on those individuals and asking did they really mean they wanted counseling, if they did, fine, and then going on after the group counseling with those on an individual basis if they still requested or required it.

Mr. HALSEY. I think one of the things, again, that I am very pleased about is the cooperation that we have had through the three agencies. As a matter of fact, we all came down yesterday and had another briefing amongst ourselves, which we have done at least monthly in person. It is basically in the area of the problems—there is a comprehensive field office directive that we are coming out with, the Employment Development Department, hopefully within the next 2 weeks, that addresses counseling and the really nuts and bolts of the program to the field offices. It is going to be in conjunction with the Department of Labor and the Veter-

ans' Administration to come out with a technical assistance guide using that as the basic doctrine. We are incorporating several of the unique things that we have here in California into that. But whatever problems we do have, we are able to solve it with a phone call or with one of these, at least a monthly meeting. It has been just an extremely cooperative arrangement.

The only concern I have, or the Department has, is in the timeframe. It is not necessarily the Veterans' Administration. It is just a uniqueness with the law. We are talking 3 to 4 weeks technically that it takes to get that person employed. Again, the VA has been extremely timely on getting things approved. Mr. Joe Hollinshead, outstationed with the Veterans' Administration here in San Diego, can hand-walk these applications through, and we can get them on a very timely basis. But with the notice of intent to employ that the employer has to submit and the arrangement of that from the Veterans' Administration, again we are talking 2 to 3 weeks. In a lot of instances, the employer's needs—when we go in and contact them—is yesterday, not 3 weeks from now. But I think because of the arrangement we have and how he can walk these applications through, I think it is getting to a point where it is livable with both the employers and our department as well.

Mr. SOLOMON. That is just great to hear.

Dr. Miller, do you have any further comment on that?

Mr. MILLER. I have one comment. It is a concern. I don't know that it would necessarily alleviate any existing or potential cumbersomeness of the procedures. I wonder if there is a possibility of getting a clarification on the status of the employer's tax liability.

There is a very significant number of the employers out there that are questioning, "Well, if I do this, am I going to run into problems with the IRS?"

I don't know all the ramifications or the technicalities behind it. But it is just a suggestion that we may need to look at this, so that we will be prepared to address that with the employers.

Mr. SOLOMON. Well, those are the kinds of things we are looking for, to take away any problem that an employer might think is there but really it is not. I don't think think there is a problem there. Maybe we will let our counsel comment on that, too.

I will yield to the chairman.

Mr. MILLER. We don't think there is a problem, itself. But we maybe need to get better information on how to address it.

Mr. STOVER. Frank Stover, counsel. Thank you, Mr. Chairman.

We are looking into that, Dr. Miller. We have no definite information on this. We have contacted several key people on this around Washington, D.C., and as far as we can determine, it is still up in the air. However, as a general matter, all veterans' benefits are not taxable as provided in section 3101 of title 38, U.S. Code. The question would be: Is this a veteran benefit? It is a little different because it is paid to the employer rather than to the veteran. The Internal Revenue Service will probably have to rule on it before we would move forward in any way on this issue. Thank you.

Mr. LEATH. Dr. Herrera, would you care to make any comments? We are delighted to have you here this morning. If you have any-

thing you would like to add to this, we would be delighted to hear it.

STATEMENT OF JACK HERRERA

Mr. HERRERA. I would like to speak on behalf of the California State Department of Veterans' Affairs and the California State Department of Consumer Affairs on behalf of Mr. Andres Mendez and Miss Shirley Shilton, a member of Governor Deukmejian's cabinet.

I would like to say this in addition. I appreciate very much what has been said before. I think the comments I will make will add relativity to the implementation of the act and some of the parts of it we feel concerned about.

We think, although the Emergency Veterans Jobs Training Act is still in its early stages, we in the department as chief advocates for the veterans in the State of California are concerned about its chances for success in the area of the effective coordination of the local program implementation. We are concerned that there may be some lack of ability on the part of the counties, the State departments as well, to be sure that the coordinators are coordinated in this effort.

In fact, when we look at the local counties, and particularly in the northern part of the State, we are concerned that the support personnel from both the Veterans' Administration and the local entities will find it difficult to coordinate the activities for the individual veteran.

We think this is true primarily in the case where veterans live in rural or outlying areas of the State. In some cases there are very, very small offices in the counties that provide services to a large number of veterans. There may be only one psychiatrist, for example, to provide psychological counseling services for three or four counties.

We also recognize that where there are severe local cuts in budgets, the personnel already in place will find it increasingly more difficult and tough to monitor the performance of the program and the total community teams, such as the veterans support personnel.

I would add also that the majority of veterans that will participate in this program are having a tough enough time with their track record in employment.

Although this program was proposed to reverse this trend, we feel the law does not adequately provide the necessary structure to fulfill its purpose relative to some specific areas, and I will speak to those.

We think the extensive job preparedness training counseling is very, very critical, because after all, it is the veteran who is the chief performer in this whole program. That means when the individual comes before a committee, an employer, anyone who is going to take a hard look at him or her, there may be some fear, some anticipation, some anxiety, and in that matter the individual must do what is expected. He must perform; he must be ready.

We are concerned that the preparation to help him or her get ready is not adequate. We feel, although it has been mentioned

before, that there were not significant amounts of money for local administration relative to coordination of these programs.

I myself spent many years with the Federal Rehabilitation Services Administration, both in Washington and the Federal regional office in San Francisco, as well as the Administration on Aging and Developmental Disabilities. I found that in that experience there were a number of times when the Federal Government had mentioned linking up with the appropriate local agencies, and once again we are concerned that those linkages are not as tight as they could be.

Finally, I would add that the Federal administration, I think, has not taken into account the State departments of veterans' affairs in the 50 States. When we look at resource development, we have neglected to consider the resources already available in some of those 50 departments across the United States and to recognize also that those departments provide claims and benefit services to veterans directly through the VA.

Many times we take part in an adjudication process. We are concerned in our offices—for example, in my district office in Los Angeles, primarily I think because of this program, our caseload has gone from 6,000 to 8,000 active cases. We get approximately 25 to 100 inquiries each day about this program and the implementation for it, and I think that it would be useful, and we presented to you, sir, and your committee, some thoughts relative to the link-up between the Federal departments, the other State departments, and the veterans' affairs department.

One final brief comment: On behalf of EDD and our other State departments in California and the Federal Department of Labor, and the VA, we have had, as it was said, excellent relationships, and we are not making critical, positive comments about that, we are simply saying we are concerned about more of the local effort and the preparedness that is going on and the coordination.

Ms. Shilton wanted me to remind the committee that we hope we give the veterans a whole loaf and not just half a loaf. We are concerned in the department as well that that coordination be thoughtfully considered, that there be adequate counseling on the basis of the psychological needs of these concerns who are coming before the employers, and that the employers themselves are not taken for granted, that they have adequate or more adequate preparation relative to the causes of this great Federal legislation as well as the timeframes and the turnaround time relative to the particular credibility, the preparedness, and the eligibility that must go on for the veteran.

That, sir, would be my comment. Thank you.

[The prepared statement of Mr. Herrera appears on page 72.]

Mr. LEATH. Thank you, Doctor.

I would respond to part of your statement by telling you that we are very much aware it is not totally adequate, but we would also remind you that in this day of extreme budget problems in the Federal Government, we are delighted to have what we have. We have gone to great lengths in this legislation.

Jerry Solomon and I are probably as conservative or fiscally responsible as any in the Congress, and yet we feel strongly enough about this program to deal with the administration and a great many of our colleagues in order to get the funding we got. We would very

much like to have seen the program larger. Unfortunately, it could not be larger.

What we are looking for is to take the money that we have in the program now and make it work so well and be able to come back 12 months, or 6, or 3, or 9 months from now, and prove not only to our colleagues in the administration, whomever, David Stockman, that we do have something that will work.

So we realize there are shortcomings in the program. The word is, it is not going to be in the President's budget for fiscal 1985 when it comes up. I have a feeling we might be able to change that. But nonetheless, we are very much aware that there will be some shortcomings in the implementation of the program, but had we attempted to do a great many of the things that you were rightfully pointing out to us there.

This $150 million, a big percentage of which is now currently available to get out and do the job, would be eaten up in various administrative functions and so forth, and we just felt our priority was not at that point

So we hear what you are saying. We totally agree with you. We will attempt, hopefully, as we move forward with this—and if we can come forth with the results that the committee feels that we can come forth with in this first thrust, we feel like we can come back and direct ourselves to some of those areas you pointed out. We appreciate that.

Mr. HERRERA. We have one great resource in this State. Over 10 percent of all the veterans in the United States reside in California. The veterans themselves will do a good job. They are the ones who will ultimately make this a success. We depend on them, we count on them, and we know they are our greatest resource in this State.

Mr. LEATH. We thank you very much.

Jerry, do you have any more questions?

Mr. SOLOMON. No, Mr. Chairman. I was off the floor. I did have a chance to read the statement. I will just concur with everything you said and let it go at that. Thank you very much.

Mr. LEATH. Thank you very much, gentlemen.

Our next witnesses are Mr. Robert Baker, San Diego Vet Center; Mr. Paul Grasso; and Mr. Ted Owen, secretary, board of directors, Vietnam Veterans Leadership Program.

Gentlemen, we are delighted to welcome you here today.

STATEMENTS OF G. ROBERT BAKER, TEAM LEADER, SAN DIEGO VET CENTER; JOHN BLUM, SAN DIEGO VIETNAM VETERANS LEADERSHIP PROGRAM; PAUL GRASSO, EXECUTIVE DIRECTOR, VIETNAM VETERANS LEADERSHIP PROGRAM; AND TED OWEN, SECRETARY, BOARD OF DIRECTORS, VIETNAM VETERANS LEADERSHIP PROGRAM

Mr. BLUM. Chairman Leath, I am John Blum. I am the local president of the Vietnam Veterans Leadership Program.

Mr. LEATH. We are delighted to have you. We didn't have your name on the list.

Mr. BLUM. That was my oversight.

I have with me Mr. Paul Grasso, the executive director of our program, and Mr. Ted Owen, who is on the executive committee of the Vietnam Veterans Leadership Program.

Ted Owen was given the job by me to make the presentation this morning because he is vice president of the chamber of commerce for military affairs and communications, and I felt he would be best able to handle many of the questions that might come up from you people. Indeed, we have seen the chamber of commerce mentioned several times already this morning.

With that, I will turn it over to Mr. Owen.

Mr. OWEN. I think Bob is first to speak.

Mr. LEATH. It is entirely up to you.

Proceed, Bob.

STATEMENT OF G. ROBERT BAKER

Mr. BAKER. Thank you, Mr. Chairman.

The Vietnam veteran readjustment counseling program, also known as Operation Outreach, was authorized in June 1979, by Public Law 96-22 and implemented by the Veterans' Administration in October 1979.

The program was established to seek out and help those Vietnam-era veterans who had readjustment problems such as relationship difficulties, nightmares, isolation, alcohol and/or drug addiction, and difficulties with the related issues of underemployment and unemployment.

Storefront counseling centers were established and manned with counselors who had either served in Vietnam or were aware of the special problems facing veterans with readjustment problems.

Public Law 96-22 initially authorized the Outreach program for 2 years. Public Law 97-72, signed in November 1981, reauthorized the centers for an additional 3 years, through September 30, 1984. Public Law 98-160 has extended the outreach program through September 30, 1988.

The importance of Public Law 98-77, the Emergency Veterans' Job Training Act of 1983, cannot be overemphasized. For the first time since the Vietnam war, the Vietnam-era veteran will have the opportunity to engage in a process that will help remove the barriers to meaningful career-oriented employment.

The Vet Center is prepared and willing to work with Vietnam-era veterans eligible under this law who have employment barriers such as low self-esteem, poor work habits, family problems, sleep disturbances, or any other readjustment problems he or she may have due to their involvement in the military during the Vietnam era. We will work together with those agencies mentioned below and any other agency that needs a place to refer the Vietnam-era veteran for employment and other readjustment difficulties.

In San Diego and Imperial Counties there are over 100,000 Vietnam-era vets. During the first quarter of the 1984 fiscal year, the Vet Center has seen 613 Vietnam-era veterans for a total of 1,109 separate hour-long visits. Veterans from this pool have spent 509 visit hours with the disabled veterans outreach program counselor requesting employment assistance. Of this group, only 24 veterans have actually been hired. San Diego Vietnam-era veterans need the

special assistance of Public Law 98-77 to help turn the employment picture around for them.

I am especially pleased to see the cooperation between the Veterans' Administration regional office, Department of Labor, Employment Development Department, and the Vietnam veteran community in developing an ongoing liaison to insure the smooth operation of this most important job and training initiative.

It is also imperative that the employers of San Diego and Imperial Counties be educated as to the benefits of hiring a Vietnam-era vet and of the extra money incentive given by Public Law 98-77.

I am optimistic that the combined efforts of the Veterans' Administration regional office, San Diego Private Industry Council, and the Coalition of San Diego Vietnam Veterans, coupled with the Regional Employment and Training Consortium, the State Department of Employment Development, and the Department of Labor will successfully communicate to employers and eligible veterans the intent of this subcommittee.

Any questions you have, I will be happy to answer.

[The statement of Mr. Baker appears on page 73.]

Mr. LEATH. Thank you, Bob.

Next we will hear from Mr. Owen.

STATEMENT OF TED OWEN

Mr. OWEN. Thank you, Mr. Chairman.

My remarks have been altered a number of times while I was sitting back there. I really will get down to a couple of points that have been touched on, but rather briefly, I think.

I think we are all woefully aware of the fact that all the representatives who have spoken to you before we sat down here are more than willing, and certainly capable, of performing their functions. We certainly know that there are over 100,000 vets in San Diego County, some of whom are unemployed. However many there may be in that category, the problem certainly exists that the employer, for whatever reason, has not or is not availing himself of this program.

We feel the main reason for that is perhaps they really don't know about it. I know many of the agencies charged directly with making employers aware have dozens of programs in various categories for a sundry variety of people. When you send a package to an employer that is 8 or 10 inches thick, it certainly impresses him with the fact that there are programs, but whether they read through all of them or not is really not always the case.

Our concern is that the marketing effort for actually establishing a foundation within this community with the employers is what we should press for today. The act was the vital cog that was needed. You provided that. Now it is up to us in all the cities in the United States to make sure that it is successful. As you already related, there is an opportunity for this to be removed from the budget in future years or put back in if it is successful.

We feel, for example, that an agency like Labor and the Veterans' Administration who have been charged by the law to do these kinds of services, perhaps don't have the direct funding to do marketing programs, for example.

Public service spot announcements that are directed specifically to employers, not the veteran, is one of our key concerns. We know the veterans who are unemployed are ready to work. It is that the employers are not really sure the program is there.

Our goal then is to come up with a way to identify some lead companies perhaps in San Diego who are willing to sit down and talk to us and any other representative that is in this room, to perhaps come up with some leadership of their own.

For example, we have a number of companies who are at present building plants within San Diego. As you related earlier, it is a high-technology city we live in. These plants that are not in operation yet are the ones who are the key to our success here, I think. We can identify this to them, allow them to look at their needs when the plant physically comes on the line, and say to them, "Look, you don't need people for 18 months. That gives us 18 months to train the people that you need. Let's sit down and say, if you will give us *x* number of jobs, we will do our best out of this 100,000-plus pool to provide you with people who are capable. If you tell us the schools, we will send them there. If you don't have schools, we will find schools, and we will send these people to those, because we have the lead time."

A guy who comes to us and says, "We just lost three people and my production is slowed," we cannot find those people right away who have the skills, but if we have the lead time this bill allows, I think that is the key to our success. So we need something.

I am not sure of the level that the VA operates under or the Department of Labor. There needs to be some allocation of funding, perhaps a shifting within their own agencies to provide for a sensitive marketing plan.

If you provide us in San Diego with public service spot announcements, our groups can beat the television and radio stations to death with them until they put them on the air. Then the employer can perhaps see that.

We strive to get plants to take these men and train them and showcase them to a certain degree, and perhaps then the two sides can come together.

I find, too, a lot of times there is a negative stereotype with a Vietnam veteran. I am extremely pleased to say I am one, as are both of my colleagues, and as Bob is, and I draw a correlative for you.

Dave Szomonowski, who spoke earlier, was our executive director until most recently when we hired Paul. Dave wanted to go into law practice. But Dave is an example of a lot of times, veterans say employers say: "We have had veterans in here before, and they have just not panned out for us. Perhaps they need to get their heads straight before they come to us next time," and they get a bad connotation.

Dave Szomonowski was blinded in Vietnam, decorated with a Silver Star, and after returning to the United States has gone to law school, passed the California Bar, and has certainly proved that just because he is disabled, he is not only hireable, he is hireable and qualified.

Every veteran out there has made the effort, or can make the effort if they have not already, to make themselves presentable to the employer.

The California Employment Development Department has contacted my office at the chamber of commerce with a program that we kind of feel is very successful once it gets off the ground. That is, to project their own image differently in the community.

They came to us and said: "These are all the things we do, and this is our success rate, but we don't feel it is necessarily as good as it could be. Is there something we are not doing that we could do?"

The reason I relate this to you, they have come to us and said: "We are doing the best we can. Can we do it better?" I see the publicity and the marketing of the program as the key to its success.

[The statement of Mr. Owen appears on page 74.]

Mr. LEATH. I have to say, you are extremely astute, I guess because you agree totally with me.

Both Jerry and I came directly from the private sector—somewhat unique in the annals of the halls of Congress. We had been accustomed to meeting payrolls, we have been accustomed to all the problems you face as an employer and so forth. The thing that we could really not ever effectively, to our satisfaction, put our finger on as we developed this program was exactly what you are talking about. And that is not to take away any credit whatsoever from the VA, which I happen to think is one of the most outstanding Federal organizations in what they do, and of course the Department of Labor and the State organizations. I think you are absolutely correct.

As we went through this process of attempting to try to figure out how to make this work, we knew we had an excellent idea. It also evolved right back to exactly what you said. Dallas is not in my district, but being a somewhat similar area to, say, San Diego, where you have many high-tech companies, you have many new companies—I think the entire Sun Belt—that same situation exists.

Jerry and I kept trying to sort out how we could get to those employers who, I think, will be receptive to what we are talking about, as you said.

Just sitting here with some thoughts going through my mind as you were talking—and we are talking about the possibility of some of the celebrities assisting us in public service announcements—perhaps one good way to stage that would be if you had Bob Hope or if you have Alda or whomever—have a successful disabled Vietnam veteran there with him and say: "Look, here is a man that served his country and in the process was blinded," and so forth, "and he came back."

Jerry and I both asked to serve on this committee when we came to Congress. We were classmates. Not many people ask to serve on this committee, because it is not a very glamorous committee. But we both had a very strong concern for veterans and particularly Vietnam veterans. I came along and was old enough not to have to be involved in that part of it. But it literally broke my heart to see what happened in the Nation to the Vietnam veterans as they came back.

I think I sense in the country now that this has changed. I think the conception that the public has of the Vietnam veteran is not what it was 5 or 10 years ago. That what that means we need to seize this opportunity to correct—though it is many, many years late—to try to do what we can to effectively alleviate that situation. That is exactly what this legislation is designed to do, and I think you hit the nail directly on the head.

Of course you know, one of the problems with government, particularly with legislation, is that you attempt to to nail something down as to how you do it, and it has to filter through 50 different groups and organizations and so on.

I think we have the ability to seize the initiative—voluntary initiative, private sector initiative. That is the reason I say I think the Governor can play a role in this. The Governor of the State writes the personnel manager of a lot of these large companies and says: "There is something out there that is going to put bucks in our pocket; at the same time, it is going to appeal to your patriotic instinct," which all of these people are going to have, "in order to do something for a young person who has contributed a great deal to you."

So we are very aware of what you said. Feel free to call me or Jerry or Frank Stover any time and let us help you coordinate any way we can, as you begin to develop some of these things. Perhaps we can help other areas of the country. Also, I am convinced, if we can ever get that started, this program can evolve as a model for all national job creation programs. I don't mean to get off into a speech here to you, but you triggered some thoughts that I think are desperately important to this whole thing.

We are evolving into a society that—I still don't understand the telephone and the radio—and for me to see what is happening in the world today from the standpoint of electronics and so forth, it is moving at such a rapid rate, the life of any one electronic development has about 12 to 18 months, they tell me, before it is obsolete.

I think we have a tremendous opportunity as a government. Hopefully we can use this little seed that we have got here, $150 million being a lot of money to us individually, but it is just a tad in the budget compared to the national problem, to show that we can, in fact, take Federal dollars and train people for this new generation of technology that we have. They are going to have meaningful employment, going to be taxpaying citizens, and at the same time these companies that are in need of this type of person will have them.

Otherwise, we are going to have a lot of companies sitting out there without the people to do the jobs, and we are going to have a lot of folks here unemployed, in the welfare lines, simply because they have never had the ability to get together.

I think you are absolutely right. The marketing of the program is the key to it.

Mr. OWEN. I think we have an opportunity—I won't mention the company's name because I don't want to pressure them through this forum to do this—I think we have a company that is really close to helping us provide a couple of hundred jobs, and I think we could build a public service, or marketing campaign, around them

doing some of what is in vogue in the advertising industry today, and that is the enforcement of a product.

I think if we have an employer who is willing to stand up before the camera and say, "I offered 100 jobs and every applicant, every employee, that I have received has been beneficial to my company," it goes a lot longer toward convincing that employer.

We have another company here, to give you an example of the crisis for high-technology employees; this company makes medical intravenous pumps for the distribution of medicine. They had such a problem, or have such a problem, with the rapid growth and development in their industry that they spend more than $2 million to $5 million a year relocating and bringing people from other States to work in their plants here, just merely to keep up with their production, which to me is ludicrous to think that that has to happen because we have so many people unemployed.

Acts like this one perhaps will allow some of that to be stopped—not all, of course. There are certain high tech jobs that just have to come from people with experience, but you can train them, and I think it is important to try to do that.

Mr. LEATH. Yes; the leadtime is important. That is one of the reasons we felt it imperative to build into the legislation the ability to train these people.

For example, in the largest city in my district, Waco, Tex., the home campus of Texas State Technical Institute, we can train anyone there to do any kind of job in the world, from deep sea diving to computer technology, auto mechanics, what have you. I think most of the States have such a facility. If we can match up the needs of the plant that is being built and say, "OK, you go ahead, we will train these people for you," I think that is a very key part of this program.

I am just absolutely delighted to see that you have the grasp of it that you do, and we look forward to working with you, to try to develop it more, to see how we can help you.

Mr. OWEN. Thank you, sir.

Mr. LEATH. Mr. Solomon.

Mr. SOLOMON. Mr. Chairman, I cannot improve on or add to the statement you just made. I certainly concur all the way.

Because we are running close to time here, I just want to commend the vet centers and the leadership program for the excellent job you have done. It sounds to me like it is outstanding. We certainly do appreciate it.

Again, I will just concur in the remarks you made, Mr. Chairman, which are outstanding, also.

Mr. LEATH. We want to thank all of you very much. You have contributed a great deal to us. We appreciate your taking the time to be here.

Mr. LEATH. Our next witnesses will be Mr. Don Pouliot, aide to the national commander, Disabled American Veterans; Arthur Jarret, State commander of the American Legion; Mr. Robert Van Keuren, president of Chapter 125, Vietnam Veterans of America; Mr. Charles R. Gillingham, State chairman for civil service and employment of the VFW; and Mr. Reason Warehime of AMVETS.

STATEMENTS OF DONALD J. POULIOT, AIDE TO THE NATIONAL COMMANDER, DISABLED AMERICAN VETERANS; ARTHUR JARRET, STATE COMMANDER, THE AMERICAN LEGION; ROBERT VAN KEUREN, PRESIDENT, CHAPTER 125, VIETNAM VETERANS OF AMERICA; CHARLES R. GILLINGHAM, STATE CHAIRMAN FOR CIVIL SERVICE AND EMPLOYMENT, VETERANS OF FOREIGN WARS OF THE UNITED STATES; AND REASON WAREHIME, AMVETS

Mr. LEATH. Gentlemen, we are delighted to welcome you here this morning. You may proceed.

Mr. POULIOT. Thank you, Mr. Chairman, Mr. Solomon. Good morning. I am the aide to the national commander of the Disabled American Vets, Dennis A. Joyner. Commander Joyner regrets that he could not be here this morning and requested that I speak for our 830,000 members.

Although implementation was delayed almost 2 months, early signs indicate that the Emergency Jobs Training Act of 1983, Public Law 98-77, 98th Congress, will be a tremendous shot in the arm in reducing the high number of unemployed veterans.

We wholeheartedly concur in the remarks of Representative G. V. "Sonny" Montgomery, the Veterans' Affairs Committee chairman, when he stated:

> This modest program will not only get veterans working again but it will also narrow the gap between veterans and their civilian counterparts whose education and employment were not interrupted by military service.

Government and veterans organizations that are involved with job-seeking veterans are elated and enthusiastic about the potentiality of the program. Also, and most important, employers and veterans alike praise the new opportunity for jobs.

With your permission, I would like to include in the records of this hearing a copy of the excellent article hailing the Emergency Jobs Training Act of 1983 which appeared in the Sunday, January 8, 1984, edition of the San Diego Union.[1]

As a matter of fact, the headlines in the article says "Jobs, Employers and Vets Alike Praise the Training Program."

We in the DAV are very much aware of the critical support provided by the members of this subcommittee and the House Veterans' Affairs Committee. Our national commander publicly expressed the thanks and appreciation of our organization to you, Congressman Leath, and to you, Congressman Solomon, and to Representative G. V. "Sonny" Montgomery, and Representative John Paul Hammerschmidt, plus others, for your vital contributions in the enactment of Public Law 98-77.

Additionally, we appreciate your consideration of the problems which could be encountered by disabled veterans participating in the program and your thoughtfulness in including a provision in the act which extended the period of training for veterans with service-connected disabilities.

The DAV is particularly pleased that the administration of the new program is in the capable hands of the Veterans' Administration and the Department of Labor. Both of these agencies are

[1] See p. 76.

proven champions of all veterans and we know that they will aggressively pursue every opportunity for jobs that will reduce the unemployment rate among our Nation's veterans.

I have mentioned the excitement that the act has generated. Concerns have also been expressed. They are: One, the DAV hopes that the Veterans' Administration, the Department of Labor, and the Veterans' Affairs Committee, will closely monitor the employment progress during the first year to insure that employers provide meaningful jobs leading to new careers—not dead end jobs.

Two, the act authorizes $150 million for each of the fiscal years 1984 and 1985. To date, according to our Washington office, there are no funds included in the budget for next year. We request that the Veterans' Affairs Committee urge Congress to include the $150 million in the fiscal year 1985 budget as authorized.

The emergency jobs program will pay the employers 50 percent of the starting wages, up to $10,000. The question has arisen as to whether or not the reimbursable amount paid the employer is taxable or nontaxable. We realize that the tax decision will be made by the Internal Revenue Service. We hope that the ruling is nontaxable. Such a ruling would provide the employers with an even greater incentive to hire the jobless veterans.

One VA regional office advised:

> If the IRS rules that the employer's reimbursable amount is nontaxable, our phones will ring off the wall with job opportunities.

We thank you for listening to our comments and we wish the greatest success for the program. The plan cannot miss because it is not a handout; it is a helping hand extended by our grateful Nation.

Thank you for what you have done and all you are doing for our country and its veterans. And thank you for permitting me to appear before you today.

Mr. LEATH. Thank you for an excellent statement. We will probably have some questions for you. But we will let the rest of the panel speak.

[The prepared statement of Mr. Pouliot appears on p. 75.]

Mr. Jarret is taking Mr. Goldman's place, for the American Legion.

STATEMENT OF ARTHUR JARRET

Mr. JARRET. Mr. Goldman has been delayed. He is a Vietnam disabled vet and probably had some problems. I don't have a copy of his testimony.

Perhaps after listening to what has been said, I can give you some insight as the vet's preference chairman for the American Legion, State of California, and also serving as a member of our national organization. Some of the feedback we are getting from our own people—I will submit to you today.

One of the things we sent out to our people on January 3 was an open letter to members of Fontana Post 262 and Solari Post 151 up in Pittsburg, Calif., who are losing their steel industries. The steel industry is shutting those plants down. We advised them that the jobs training program, for instance, is a great opportunity—it

couldn't have come at a better time for veterans, both male and female.

We solicit the posts in those communities to take and run with the job program. Again, you have given them that opportunity.

But let me give you some of the feedback that I find in discussions I have talked to my commander about—that vets made eligible for vet training are fully qualified to complete the training. We are worried that they will not accept the positions at the completion of the training. Sometimes vets have a tendency to start something and don't finish it. I give you some of our gut feelings so that maybe you can take back and we can run easier with these things.

Another provision—should a vet qualify before the completion of the training, he or she be integrated into the employer's work force ahead of time and this will provide for additional funding for other unemployed vets into the program.

That a monitoring system be put into place to track the vet's progress. It is senseless to place a vet in the program who cannot compete, show willingness to compete or finds physical limitations beyond his/her ability to perform beyond the end of the training program. We find sometimes employers will hire somebody, take advantage of the situation, and then not hire the person.

That a trainee will not be kept on in lieu of other employees being laid off in case of a plant closure. I bring in the Fontana and Solari Posts in that.

That a trainee be allowed to make a new start at an appropriate time in case he is laid off because of a plant reduction.

That counseling be made available to the trainee by either the VA or EDD when possible conflicts arise. And this would include areas where training was not meaningful or the employer did not live up to the proper training he agreed to provide.

That trainees be allowed to fully demonstrate he or she has or will gain the necessary skills prior to the end of the official training schedule completion time. This will provide both sides an evaluation that will be fair for a decision to continue or terminate the training.

That should training not be completed by the trainee, the reason be determined as factual by the VA.

That factual records be kept as to the numbers in training and the type of training programs. I find that a little disheartening when I hear the figures today.

That training cease in the specific occupation when the supply of applicants equals or exceeds the demands to be filled, this to be monitored to prevent an oversupply of qualified applicants. We certainly know that can happen.

That the vet be accorded all the rights a vet is entitled to by law during the training period.

That a vet be instructed as to how he or she should conduct himself or herself while in the training period. We do have problems in that area.

That a vet be paid the prevailing wage as agreed upon at the start of the training. We are finding problems in that area.

That the employer is paid the sum agreed upon at the start of the training in such installments as agreed. And there again a lot

of employers are reluctant to take on something because they fear governmental bureaucracy.

And that an employer contact a Government coordinator at the completion or a dropout. Sometimes we have trainees who drop out and continue to receive funding.

Hopefully all these are going to be addressed from what I heard today by the VA and EDD.

California, as you know, is a high-tech area. But how about the northern part of the State? They are agriculture. You know, we certainly have enough problems in the Imperial Valley and the Salinas Valley. But eventually, agriculture will become highly technical and, certainly, we ought to be looking in those areas for jobs.

Again, Mr. Chairman, I am not fully prepared to speak for the department, but as a vet's preference chairman, I can tell you these are some of our concerns.

Mr. LEATH. Thank you. You have done an outstanding job. We, too, are aware of very many of these situations that you have pointed out. We will try to monitor them to make sure that they work.

We are interested in getting the processes working and not just being something that is thrown out there that will partially do the job. So there will be a lot of effort put into this by the committee and by the administering agencies.

Mr. Van Keuren.

STATEMENT OF ROBERT VAN KEUREN

Mr. VAN KEUREN. Thank you very much, Mr. Chairman, Mr. Solomon. We welcome this opportunity to speak to you today concerning Public Law 98-77 and some other issues.

I would like to speak today concerning three basic topics. I would like to give you a brief overview of the history of employment and training in San Diego. I think as we search for strategies to implement for the success of this program, we should not neglect the strategies that have worked in the past.

I will speak to the administration and effectiveness of Public Law 98-77 to date in San Diego, and I will discuss the broader issue of overall veteran employment and training as it relates to program goals, strategies, and regulations.

We have been fortunate in San Diego in that communication and cooperation between the veteran community, elected officials, and the regional employment and training consortium has resulted in the development and continued commitment to the design and operation of quality employment and training programs for veterans, and the Vietnam-era veteran in particular.

In November 1981, the policy board of San Diego's RETC authorized and funded the Vietnam veteran's employment initiative, a job and training program for Vietnam veterans in San Diego County. The initiative, the most comprehensive job training effort for Vietnam veterans in the United States, was a direct result of the efforts of then San Diego mayor Pete Wilson and the Vietnam veteran community.

The initiative consisted of five elements: One, direct performance contracting; two, veteran employment training program; three, vet-

erans job pledge campaign; four, vouchered training for veterans; and five, 10 percent service goal in RETC programs for Vietnam veterans. This element has been retained by RETC since the initiative.

The result of this comprehensive effort was that over 1,200 veterans were served, a very difficult task to obtain in the employment market at that time.

The program that was felt to have most directly served the target population was the vouchered training for veterans project which provided skills training and job placement by a combination of onsite classroom skills training, job search and job readiness assistance, and in some cases, employer reimbursement for on-the-job training.

The overall positive termination rate for this project was 85 percent.

This project was specifically targeted to serve the most severely affected Vietnam vet, the combat vet.

The success of the VTV project and the entire Vietnam veterans employment initiative was not the result of one person, program or organization. Rather, it was the result of communication and cooperation between all the necessary players.

Without the needed cooperation and input from the Employment Development Department, the RETC, the Veterans' Administration, public and private sector employers and trainers, various social service agencies and the veteran community, the overall success of the initiative would have been reduced and, most importantly, the number of veterans helped would have been significantly lessened.

I would like to talk about the effectiveness of that as it relates to Public Law 98-77. If our efforts are to be successful in assessing the maximum number of eligible veterans and employers to this program, thereby obtaining our desired goal, employed veterans, then we must reestablish and strengthen the coalition that was so effective during the Vietnam veterans employment initiative.

The Department of Veterans Benefits, circular 20-83-25, appendixes B and C, October 1983, speaks to the need of maximizing the use of existing community resources. Particular emphasis is placed upon outreach and linkages with local business organizations, veterans organizations, and organizations providing job development, employment services, and supportive services.

In the belief that the reestablishment and strengthening of linkages developed as previously mentioned is essential, the San Diego Vietnam veterans of America and the San Diego Vietnam veterans leadership program have made initial contact with the regional employment and training consortium for the purpose of soliciting the support and active involvement of the San Diego Private Industry Council.

The San Diego Private Industry Council emphasizes, in their mission statement, their desire to use not only the Jobs and Training Partnership Act, but also other public and private resources to accomplish their goals. These goals are to train and place unemployed and underutilized San Diegans into jobs and to assist employers in meeting their need for skilled workers.

Formal linkage with those agencies charged with the administration of Public Law 98-77 would greatly aid them in their task, particularly as it relates to the PIC's intent to target services to groups facing substantial barriers to employment.

Our recommendation, which is a result of the Vietnam Veterans Consortium of San Diego, the Vietnam leadership program, and the Vet Center program, we recommend that the private industry council approve and enforce linking with the local JTPA program.

In addition, we encourage the PIC to designate an ad hoc committee to assist in the required coordination efforts to implement Public Law 98-77 locally. These efforts should include, but not be limited to, the identification of key players, outreach to eligible veterans, training needs and plan for training, outreach to employers, and use of the media resources the PIC has at its disposal.

Some of the other issues have been mentioned today, particularly as they relate to the employability development programs, and can be addressed by our regional consortium. We have many associations charged with providing those services to targeted populations.

I would also like to mention that we have extreme and continued cooperation by Mr. Pat Shelley and Mr. Jim Capay in establishing this liaison, and the formation of a working group will be established very shortly to accomplish our goal bringing the private sector by our processes.

Finally, I would like to speak—guess this is my pet peeve—to the broader issue of overall veterans' employment and training as it relates to program goals, strategies and regulations under the JTPA. Locally administered programs for the employment and training of veterans under the JTPA should be structured to provide the maximum benefit delivery possible to the veteran, given the resources that can be made available. This should occur without penalty to the veteran or to the service provider.

The establishment of criteria for the determination of "positive termination" for veterans' need to recognize outcomes that can be realized for this population identifying and using all the resources available.

At this time, the category of 'return to full-time school" is not recognized as a "positive termination" for veterans in San Diego. This means that veterans enrolled in JTPA programs, who, during the establishment of an employability development plan are able to identify resources specifically allocated for their use for an extended educational opportunity, and use that opportunity, are viewed as a "negative termination" under the current system. I find that very hard to reconcile myself.

It is during the establishment of an employability development plan that a veteran, for the first time, may become aware of the availability of the GI bill extention program, or make application for vocational rehabilitation to the Veterans' Administration for a service-connected disability.

While it is not the duty of service providers under JTPA to refer veterans to programs for extended educational opportunity, I believe it is in the best interests of all for this process to occur.

I would recommend that a review of the current policy of program termination categories for veterans be reviewed and revised

in order that it may reflect those outcomes which can be realized for veterans who are able to take advantage of an extended educational opportunity. This would result, in the long run, with providing our community, and its employers, with a higher quality, better trained applicant and would not penalize the service providers in terms of their overall positive outcome goals.

Before closing, I would like to reemphasize what I feel is a major element of Public Law 98-77 and our involvement. Again, that relates to the involvement of those agencies charged with its administration and the involvement of our private industry council.

I feel that as Mr. Owen and Mr. Grasso have testified here today, that in order for us to firmly reach out into the community we have to take advantage of those resources which are available in our community. The private industry council is one resource which we need to access.

I will answer questions at an appropriate time if there are any. Thank you for this opportunity.

[The prepared statement of Mr. Van Keuren appears on p. 78.]

Mr. LEATH. Thank you, Mr. Van Keuren, for excellent testimony and excellent suggestions.

Mr. Gillingham.

STATEMENT OF CHARLES R. GILLINGHAM

Mr. GILLINGHAM. Mr. Chairman and members of the Subcommittee on Education, Training, and Employment of the Committee on Veterans' Affairs, U.S. House of Representatives, I am a veteran, and retired from the U.S. Army. I also retired from the California State Employment Development Department where I served as a local office veterans employment representative.

My appearance before you today is as a representative of the Department of California, Veterans of Foreign Wars of the United States. I presently hold the office of the civil service and employment committee chairman in the department, and I am a member of the VFW National Civil Service and Employment Committee. In addition, I am the present secretary-treasurer of the California State Veterans Employment Committee, an advisory body to the director, California State Employment Development Department.

I would first like to call attention to the provisions of section 2004, chapter 41, title 38, United States Code, as amended, covering the employees of local offices of the State employment agencies.

This section calls for the assignment of a veterans employment representative—LVER—preferably veterans or other eligible persons, on the staffs of local employment service offices. In the State of California we have 97 full-time LVER's, and approximately one third of them are nonveterans, acording to the director, VETS-USDOL. The local office veterans employment representative has functional supervision over the services provided veterans by the local office.

We cannot feel comfortable with the assignment of nonveterans to supervise services to veterans. I have been told that this is a state problem. However, the problem originates in the wording of title 38, United States Code, where it says "preferably eligible veterans or eligible persons."

We would like to see the wording of section 2004, chapter 41, title 38, United States Code, changed from "preferably eligible veterans or eligible persons" to "must be an eligible veteran or eligible person." The disabled veterans outreach program specialists are all veterans because it is required by law, and we would like to see the local office veterans employment representatives provided the same provisions of law.

Public Law 98-77, Emergency Veterans Job Training Act of 1983, dated August 15, 1983, states that the purpose of this act is to address the problem of severe and continuing unemployment among certain wartime veterans who have been unemployed for long periods of time. The act limits assistance to Vietnam era and Korea conflict veterans.

The Vietnam era has been over for almost 11 years, so that if a veteran was 19½ years old at the end of the Vietnam era, he would be 30 years of age now, and Korean conflict veterans are now 40 years of age or older. We are therefore talking only of those veterans who are 30 years of age or older and who have been unemployed for 15 or more weeks.

Many of the veterans from the Korean conflict, like myself, are in their 70's and are no longer in the labor market. Some eligible veterans find suitable employment in their own field. Others, through necessity, accept immediate employment as guards, dishwashers, or in a car wash, and are underemployed. Those eligible file for unemployment insurance, and the LVER's and the DVOP's of the State employment agencies spend 15 weeks attempting to assist them in locating suitable employment. At the end of 15 weeks, those remaining are predominantly hard-core unemployed. This law limits the issuance of certificates of eligibility to this remaining group of veterans, all over 30 years of age.

Some years back, the State employment service agencies started referring to employers those applicants most in need of assistance, those who had been unemployed the longest. The result was that the employers decided that they could do better on their own, and the new job orders declined. It has taken the State agencies several years to overcome this practice. I am afraid that this will be repeated in the case of the Emergency Veterans Job Training Act of 1983. Employers will be attracted by the carrot—up to $10,000 in training costs—in big brother's right hand but will become aware of the stick in his left hand.

While it is true that this law was targeted to assist this group of veterans, I believe the target is too narrow. It should be enlarged to allow certificates of eligibility to be issued, after careful adjudication by the Veterans' Administration, to the newly separated veterans, those drawing unemployment insurance or welfare and those who, out of necessity, accepted employment far below their capabilities, regardless of the number of weeks of unemployment. Employers have a much greater interest in the successful operation of their business than they have in correcting social injustices. They want the best employees in the labor market.

One additional inducement might be legislation or administrative action to provide tax credits for employers utilizing the provisions of the Emergency Veterans Job Training Act of 1983. The

success of this program depends not on the Veterans' Administration, but on its acceptance by the employers.

The concept of a nationwide employment program under the Veterans' Administration, with its computers and trained counselors, is a step in the right direction. It is believed that a nationwide program will accomplish more for less money than the fragmented and uncoordinated attempts of the hundreds of service delivery areas across the country.

I would like to express my gratitude for the concern displayed by this subcommittee in the employment needs of the veterans who served their country in time of need. We appreciate your efforts in our behalf and stand ready to assist you in any way we can.

Mr. LEATH. Thank you, Mr. Gillingham.

[The prepared statement of Mr. Gillingham appears on p. 79.]

Mr. LEATH. Mr. Warehime.

STATEMENT OF REASON WAREHIME

Mr. WAREHIME. Mr. Chairman, there is one advantage to being the horse's tail on a deal like this; I think it gives us a chance to swat some flies.

You have my testimony up there. Due to the lateness of the hour, and everybody's tired of sitting, I think it is only fitting that I just confine myself to a few remarks.

Commander Johnson, commander of the AMVETS, has asked me to thank you all for the work you have done in this matter. If there is any way that we as an organization in the State of California, can help with some of the problems which, from all appearances here today, the problem is going to be the employers, please feel free to call on us. We will go out and canvas the employers if necessary.

I found one other thing today. It seems to me that the way Mr. Rainwater and his staff and Mr. Terry—looking at the State of California, I think, as a disabled veteran who has been unemployed for some 10 years now—I think I have been living in the wrong section of California. It looks like they have got it pretty well organized down here as compared to the central part of California.

I was talking to the veterans employment representative at the Department of Employment in Porterville. She tells me, on this program, that it is a terrific program, which we all agree on. But she has almost, I think, she said 120 or 125 veterans that have made application; quite a few of them have already been certified. Her big problem is finding employers. That has been hashed and rehashed here today.

As far as Congress is concerned, I think we should have somebody that will go out and counsel with the employers—I am not talking about counseling the veterans—somebody that will go out and actually canvas the area in each place for employers. I think you will find this whole program will work just as well as our outreach centers work if we get out and make the personal contacts.

Once again, I want to thank you, gentlemen, for a good bill and for your efforts to make it work. Thank you.

Mr. LEATH. Thank you very much, Mr. Warehime.

[The prepared statement of Mr. Warehime appears on p. 81.]

Mr. LEATH. Jerry, do you have any questions?

Mr. SOLOMON. No; let me just say that I belong to most of your organizations. I am a life member of the Disabled Veterans.

I just want to thank you all for your excellent testimony. I think all of you have stated the problem that we have, and that is getting the interest of employers. I think the interest is out there. I think all we have to do is work on it.

One thing that we have to our advantage in all of our organizations—the veterans organizations—and people like myself that are members of the Chamber of Commerce. I think it is up to us to get hold of the Chamber of Commerce in our capacity where we may be a member of the American Legion and also a member of the Chamber of Commerce. I think we have to use everything at our disposal to make these industries aware that the program is there, and to stimulate the interest.

Marv mentioned that we had problems trying to come up with the $150 million this year, and with all the fiscal restraints we have, we are probably going to have a problem again next year.

But if a program is working and if it is spending money to save money, as I think it is, and as Marv made the point—because when you train a veteran and he gets a meaningful taxpaying job, you are saving money in the long run—I think if we can prove that the program is working, that we not only can maintain it at the level, but we might even be able to expand it and really make some inroads into solving these problems.

I don't really have any questions. I think all of you have given excellent testimony. We appreciate it very much. We are going to take it back. We hope that we can get this program moving all over the country, and it will be expanded, and we can really solve the problem of the unemployed, untrained veteran in this country. So I thank you very much.

Mr. LEATH. I want to thank all of you, the members of the veterans organizations. We have an outstanding relationship with all of your national representatives—very realistic working relationship. I am very much impressed. We will pass that on to the national commanders about the outstanding quality and caliber of the individuals and their testimony here today.

Let me just sum up as we close here by saying we understand that this bill does not solve all the problems that we face and areas of concern we all have. Certainly it is not a perfect program. But under the restraints of the budget, under the restraints of our ability to put together something rather quickly in order to address an emergency situation, it is, ladies and gentlemen, a beginning.
and gentlemen, a beginning.

I am extremely encouraged, as I know that Jerry is, and the staff is, by what we have heard here today. California is known to be a leader in most things that happen in this country, and I am delighted to see you have not relinquished that role in this program. I think that your State officials who have testified here, the VA people, the Department of Labor people, the voluntary organizations, veterans national counseling centers, and so forth, have indicated that you are indeed much further along than I ever dreamed that you would be at this point.

We have got an embryo, so to speak, we have a nucleus, a beginning here. It is going to be up to you now—and I have preached this, the committee has, to the national veterans organizations—you need to play a tremendously vital role in this, because you are the only ones who have people down to every level in this country, whether it be in a rural community or in San Diego or New York or Dallas or wherever. Your active involvement in this on a local level can be one of the great challenges for every one of your organizations during the rest of this year. It should be one of the top priorities that you have, because as we have touched on here time and time again, marketing is the extremely important part of this.

You have many members who are employed in various companies who can bring this program to the attention of their supervisors, to the attention of their personnel managers. That not only includes the larger companies, but includes small business as well, certainly small business.

The involvement of the chamber of commerce, I think, is extremely important. I am delighted to see that the San Diego Area Chamber of Commerce is aware of that, because they are business, and if we can have some programs where we can get the VA and Department of Labor people and the necessary people there to talk about this program and how important it is, I think that is one of the keys to making it work.

Local governments, as has been pointed out here—mayors, and so forth—have been deeply involved in things of this nature; it is a natural for them. The same thing is true of State government, whether it be your local State assemblyman or representative, whichever you call him, or your State senators or Governor, your local congresspersons—politicians like the exposure they get out of these things. All it takes is encouragement. Say, "Look, you can help."

We all have lists of business people in our communities, and we write those business leaders, and we write those people who have these jobs available. Let them know this is not just some Government program that is going to wrestle you down with bureaucracy, this is a good deal. And that is what we are all looking for, a good deal, and a good deal will be if we can match an employer who needs a good employee with a veteran who needs a job.

We recognize there are broader areas, Mr. Gillingham, that we can go to, but we restricted it purposely, because you can only do so much with $150 million when you start spreading it among 50 States and the number of people we are dealing with.

As I said at the beginning, what we are doing is something that we hope is big enough to have an opportunity to do something good, but at the same time, if we are discreet enough, smart enough, and have the will to make it work, it can become a model for national employment programs, which I think are going to be extremely valuable.

The Federal Government, whether any of us like it or not—I think Jerry would agree with this—we are going to have to be the bell cow, so to speak, through the rest of this decade as we attempt to retrain ourselves and attempt to evolve into a different type of economy and society, one that is somewhat of a mystery to all of us, particularly those of us who are a little older.

So I appreciate what you have done. I appreciate the testimony of everyone who has been here this morning.

As far as I am concerned, I have to tell you, it is most outstanding, and it is the most encouraging hearing—and that includes lots of sitting and listening in the 5 years I have been in Congress.

I am excited to take back to Washington what you have told us here today, the enthusiasm that you have for it. I commend you. I can undertand why you call yourselves the greatest city on Earth. I wish I could stay here and soak up some more of it instead of having to bounce back to Washington, where I understand it is about zero degrees along about now. Thank you very much.

Having said that, Jerry, do you have any closing remarks?

The committee will stand adjourned. Thank you.

[Whereupon, at 11:30 a.m., the subcommittee was adjourned.]

APPENDIX

PURPOSE OF HEARING

The Subcommittee on Education, Training, and Employment of the House Committee on Veterans' Affairs is meeting today in San Diego to evaluate the administration and effectiveness of laws enacted by the Congress to assist veterans in obtaining job training and employment.

Through the years, Congress has approved a comprehensive program of rights and benefits for veterans in recognition of their special contribution during a period of war or national peril. Congressional responsibility for the programs, however, does not end when the President signs the bill which the Congress has sent to him. It is the responsibility of the Committee on Veterans' Affairs to ensure that programs are administered by the agencies involved as intended by the Congress and to ensure, on a continuing basis, the application, execution and effectiveness of laws passed by Congress for veterans. This monitoring process is carried out at oversight hearings held both in Washington, D.C. and in the field. Field hearings are particularly important in that they provide the opportunity to hear from the people who work with these programs at the "grass roots" level. Particular emphasis today will be placed on the implementation of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77, and the Veterans Administration's vocational rehabilitation programs, as amended by Public Law 96-466.

The Committee on Veterans' Affairs and the Congress have long been concerned about the employment difficulties experienced by Vietnam era, Korean Conflict and disabled veterans. The severe recession and fundamental structural changes in the American economy have exacerbated pre-existing employment problems and have contributed to the highest unemployment rate ever recorded for these groups. Throughout calendar year 1983, veterans of the Vietnam era experienced unemployment levels surpassing those of their nonveteran peers. Many of the veterans who are now unemployed are victims of the "last hired, first fired" practice. While these veterans were serving their country, their nonveteran peers were pursuing their education and careers, giving them a two to four year head start on returning veterans. As the recession deepened and employers found it necessary to lay off workers, veterans who did not have the seniority of nonveterans were the first to go. This nation owes a special debt to these veterans. Because of this commitment, Mr. Leath of Texas, who will be chairing the hearing, introduced and the Congress later passed Public Law 98-77, which will be reviewed today. The legislation was cosponsored by Congressman Gerald Solomon, Ranking Minority Member of the Subcommittee on Education, Training, and Employment, who will also participate in today's hearing. Eighty-nine other Members of the Congress also cosponsored the legislation.

Public Law 98-77 provides new on-the-job training opportunities for Vietnam and Korean veterans by paying employers 50 percent of the veteran's starting wage, up to $10,000 per veteran, to help defray training costs. The law provides for a maximum 9 month training period except in the case of veterans with certain service-connected disabilities who are allowed a maximum of 15 months training.

Congress has appropriated $150 million to fund this program for the current fiscal year. For this job training program to be fully utilized and to assist as many veterans as possible, employers must be made aware of the opportunities available to them under Public Law 98-77, and encouraged to hire veterans under the Emergency Veterans' Job Training Act of 1983.

Today the Subcommittee will evaluate actions taken in this area to promote this important program and to review the application of the implementation procedures as designed in the Central Office.

We are also going to review today a most important program for service-connected disabled veterans, the vocational rehabilitation program. The origin of the present vocational rehabilitation program was a law passed by Congress on March

24, 1943, Public Law 78-16. The purpose of the program was to restore employability to World War II veterans who had an employment handicap due to a service-connected disability. Subsequently, the program was expanded to include Korean veterans and Vietnam era veterans.

With the rise of the cold war and the stationing of U.S. military forces all over the world, Congress expanded the program to include veterans serving during peacetime who suffered disabilities while on active duty in the military which resulted in employment handicaps. Thus, the vocational rehabilitation program is an on-going and continuing program.

The Congress has always placed the vocational rehabilitation program among its highest priorities. During the Vietnam Conflict, more than 300,000 military personnel were wounded in action. Many of these wounded suffered the most crippling disabilities in medical history. The extensive use of helicopters and advanced technology resulted in saving the lives of many Vietnam veterans who would have died in previous wars.

Because of Congress' deep concern that these disabled veterans should receive all possible assistance to help them overcome their employment handicaps caused by their war service, two studies were mandated by Congress regarding this program. The most recent study, House Committee Print No. 167 in the 95th Congress, indicated that the existing program needed an overhaul in order to supply the best services to disabled veterans.

Following the study, the Congress amended and updated the vocational rehabilitation program, as provided in Public Law 96-466, to include many of the recommendations made in the study mandated by Congress to improve the program. The vocational rehabilitation program, therefore, not only restores employability, but provides employment and placement services so that the veteran is employed in a job for which the veteran was trained.

As pointed out in the law, the purpose of the vocational rehabilitation program is to provide for all service and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and to the maximum extent feasible to become employable and to obtain and maintain suitable employment. The subcommittee wants to know if the Veterans Administration has fulfilled these two programs of the vocational rehabilitation program and if there are problems or unexpected developments which need to be looked at to make the program more effective and more successful.

STATEMENT OF HON. LANE EVANS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. Chairman, I would first like to commend you on two scores—first, for holding this hearing to evaluate the administration and effectiveness of job training and employment programs for veterans, and second, for introducing H.R. 2355, the Emergency Veterans' Job Training Act of 1983.

As a Freshman Member of Congress serving on the House Veterans' Affairs Committee, I was honored and gratified in my first year to be an original sponsor of this important bill which is now on the books as Public Law 98-77. This measure demonstrates our commitment to fulfilling our responsibilities to those who served this country and our willingness to recognize the especially serious unemployment problems facing Korean and Vietnam-era veterans.

Persistent high unemployment rates under the current Administration have devastated millions of able Americans, both veterans and non-veterans. They have left our people discouraged, disheartened and economically disenfranchised. The recent reductions in the national unemployment statistics are barely heartening for those of us from areas still experiencing high jobless rates. They also do not reflect the number of long-term unemployed who have used up their benefits and are no longer counted. These jobless Americans are being forced to the edges of our society, giving up hope and withdrawing from the economic mainstream.

The situation among Korean and Vietnam-era veterans is even worse and often harder to identify because our concern over the large number of unemployed clouds the specific employment problems of our veteran population. We have heard that, as of less than a year ago, Vietnam-era veterans were outdistancing the average unemployment rate by more than two and a half percentage points. The recent decreases may have changed the numbers a bit, but the difficulty in defining the veterans' unemployment problem still persists.

For example, an article in Stars and Stripes last year pointed out that there is a widespread myth today that unemployment is most severe among younger veterans.

This probably reflects the awareness of high jobless rates for some particular groups of young Americans. However, the facts show that unemployment is far more severe among older veterans. Recent figures show that there are about 187,000 unemployed Vietnam-era veterans aged 25 to 29 years old. But the average age of Vietnam theater veterans is now 36 and a half years. There are about 700,000 of these unemployed veterans ages 30 years and over.

There is also the assumption that a large part of the veterans' unemployment problem is due to minorities and the educationally disadvantaged. There is no doubt that these groups' employment rates are horrendously high. However, they represent less than 20 percent of the total unemployment problem among Vietnam-era veterans. About 13 percent of these veterans are black and less than 10 percent of Vietnam-era veterans are educationally disadvantaged.

I now quote from the article, "A large number of veterans of all races are unemployed because they lack relevant post secondary jobs skills for today's economy, a significant consequence of the GI bill's failure to provide relevant trade, technical, vocational and professional training to Vietnam veterans."

I believe that we have addressed many of the concerns raised in this article in the Emergency Job Training Act. It targets needed aid for Korean and Vietnam-era veterans, particularly disabled veterans. It authorizes on-the-job and vocational training for those who have been unemployed for 15 of the last 20 weeks and requires that the skills and training being learned are in a field where there is a substantial probability of long-term employment.

This program has been described as a supplement to the Job Training Partnership Act (JTPA) which replaced the Comprehensive Employment and Training Act (CETA) in September. The JTPA is earmarked for $9.4 million each year to provide training for veterans. Most of us on the Committee realize that this amount is insufficient to address the employment problems of Vietnam-era veterans.

To make sure that these problems are adequately addressed in our current veterans' jobs programs, we must learn from the problems that have plagued past employment programs. In these hearings, I am sure that we will hear many good ideas to improve the administration of these programs. I would like to offer just a few suggestions for a more successful job training program.

First, applications for both employers and veterans must be processed quickly and effectively. Red tape must be kept to a bare minimum. The program is authorized until October 1985 but its funding could run out well before then.

Most importantly, veterans participating in these programs must not be penalized or threatened with the elimination of other needed benefits they may be receiving such as unemployment compensation or other public aid benefits.

We must also recognize the impact of the local economic landscape on the success of on-the-job training programs. For businesses to participate in the OJT programs, the economic climate must be conducive to growth and expansion. Continued high interest rates and a recessionary economic climate will doom the programs we are so earnestly trying to implement.

As the U.S. Representative for the residents of Illinois' 17th Congressional District, I can testify as to the overriding need for these programs. It is reflected through the numbers of veterans contacting my office, looking not for a handout but a chance. I hope that, perhaps in another year, we can once again review these job programs, take the criticism to heart, and structure needed legislative remedies.

Although the employment programs we passed during the last session of Congress are helpful, those efforts are insufficient to address our national unemployment problems. While I am optimistic about the veterans' job program we are focusing on here, I want to emphasize the need for us to do more to give our veterans the chance for a meaningful existence in our economic mainstream.

Thank you for this opportunity to share my views and thoughts.

PREPARED STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

I'd like to thank the Subcommittee for giving me the opportunity to testify this morning. I applaud the Subcommittee on its choice of San Diego as the site for this hearing.

As you know, job-assistance for Korea and Vietnam-era veterans has long been a concern of San Diego veterans. These individuals performed the ultimate act of citizenship by serving in our armed forces. Many of these men and women gave the prime years of their youth to serve this great land. While many of their peers were going to school and being trained for their current jobs, these veterans were thou-

sands of miles away defending those democratic principles on which this nation was founded.

I think it was entirely appropriate that Congress passed the Emergency Veterans' Job Training Act of 1983 this last August. As our economic recovery continues to grow, unemployment continues to drop. Over 3 million new jobs were created last year. In fact in the last quarter, there was a monthly average of 300,000 new jobs. As I'm sure you are aware, national unemployment figures are down to 8.1 percent. With this economic growth, now is the perfect time to encourage private businesses to train veterans for the growing number of positions. I am pleased to see this federal funding used to bolster veterans' opportunities to enter the mainstream of our private enterprise system.

We are appropriating $300 million over the next two years to provide job assistance for Korea and Vietnam-era veterans. Under the act, employers will be reimbursed for their training costs up to $10,000 per veteran. Employers will be required to train these individuals for at least six months for positions which are anticipated to be permanent and stable. Also, the act insures that veterans will receive the normal wages and benefits of regular participants in the program. Disabled veterans may receive up to 15 months of training, while all other eligible veterans will have up to 9 months.

I believe that this measure will go a long way toward meeting the needs of veterans here in the San Diego area. With the prospect of continued defense contracts to San Diego businesses, I hope many of our veterans will be trained and hired in defense oriented fields. They bring to such positions their personal experience, which could prove invaluable for these industries. Also, this job assistance program will be a great help to many veterans who want to work in high-tech industries. Since most of these businesses have come onto the scene in the last 10 to 15 years, untrained veterans have been hard-pressed to break into this job market. By providing this incentive for businesses to train veterans, however, I think we can look for an increase in the number of veterans employed in the high-tech field.

Again, I thank the subcommittee for the opportunity to testify. We want to reaffirm to all of you our strong commitment to veterans of the Korean and Vietnam conflicts. Thank you.

PREPARED STATEMENT OF DAVID SZUMONOWSKI, ON BEHALF OF HON. BILL LOWERY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

EMERGENCY VETERANS' JOB TRAINING ACT OF 1983

Mr. Chairman and distinguished members of the House Subcommittee on Education, Training, and Employment, on behalf of Congressman Lowery and myself, I would like to thank your for providing me an opportunity to address job training for Vietnam Era Veterans and specifically the programs approved under the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77).

However encouraging the unemployment trend has appeared in the last few months, it has not negated the need for a jobs bill targeted at the Vietnam Era Veterans community. Although the unemployment rate for veterans between the ages of 25 and 29 has declined to 12.1 percent (down from 17.3 percent one year ago), it is still nearly 50 percent higher than the rate for nonveterans in the same age group.

While exact figures on veterans' unemployment in San Diego County are not available, it is estimated that this rate exceeds San Diego's nonveteran rate by some 4 percent. I am certain that proper implementation of Public Law 98-77 will go a long way toward bringing these two rates into equilibrium.

The most effective job-training programs are those that lead to real jobs. It is just common sense that the best bets are private-sector programs in which the sponsors train people to meet their own genuine needs.

Accordingly, Mr. Chairman, Public Law 98-77 successfully incorporates this principle by crafting a meaningful and useful on-the-job-training program. I emphasize this point to silence those doubters who would label this another "make-work," public jobs program. You and your committee are to be congratulated for keeping administrative costs to less than 3 percent of the program's budget and for resisting new layers of bureaucracy to implement what is, in effect, an expansion of existing Veterans Administration training programs.

Equally important it the law's special provisions for disabled veterans who may require structural accommodations in the workplace. Public Law 98-77 allows larger payments to those employers who make physical adjustments to accommodate disabled veteran job trainees. I believe this provision will make a significant

contribution toward bringing down the unemployment rate for Vietnam Era disabled veterans. Studies conducted for the Department of Labor show that the more severely disabled veterans have a higher unemployment rate, tend to spend longer looking for work, and are more likely to be jobless and to give up the attempt to find a job.

Public Law 98-77 offers a responsible program for helping disabled and Vietnam-Era veterans at a reasonable cost. The task before us now is the efficient and effective implementation of this important legislation.

San Diego County's Vietnam-Era veteran population exceeds 100,000. Korean War veterans number over 45,000. Despite these figures, only 445 eligible veterans requested certification from November through December 31, 1983. The local VA has distributed information to veterans regarding Public Law 98-77 and I am hopeful that veterans' requests will substantially increase in the months ahead. Nevertheless, I believe Congress can play an important role in raising the awareness of eligible veterans all over the country. Congressman Lowery has assured me that he will undertake outreach activities in his congressional district to ensure maximum participation, and I trust each of you will do the same in your home districts. I hope that you will encourage your colleagues back in Washington who do not serve on this committee or follow veterans issues as closely as you do to follow-up their fine effort on behalf of the veteran community and get involved in the implementation of Public Law 98-77.

On this same note, I would like to stress the importance of notifying employers across American of the many benefits which will accrue to them should they request certification under Public Law 98-77. Again, congressional involvement will make a big difference! By way of illustration, San Diego County's business community boasts over 35,000 businesses of all sizes, yet only 15 employers have requested certification under Public Law 98-77 through December 31, 1983. We must pool our resources and get the word out to business, or else watch the program fail for lack of interest.

In closing, Mr. Chairman, I would like to leave your subcommittee with the following general thoughts on our unemployment problem. Traditionally, America has relied on a stubbornly individualistic approach to the problem of unemployment. There is little or no coordination or coherent sense of purpose. Government provides cushion and stopgaps, industry hires and fires with the ebb and flow of the business cycle, and labor scrambles to get—and hold onto—whatever it can.

That is no longer enough. The profound changes at work in the job market require a new era of cooperation among all sectors of society, a rigorous attention to preventing the economic and human pain of sweeping dislocation. Any effective agenda for putting America back to work and keeping it there will demand sacrifices on many fronts and action on a wide range of nagging problems. Of course, among them is the problem of job training and I applaud the efforts of this subcommittee in recognizing America's obligation to assist the hundreds of thousands of unemployed Vietnam-Era veterans. Public Law 98-77 will help long-term unemployed veterans during a very tough time, but only if we continue to work for its success.

Thank you for this opportunity to address Public Law 98-77 and I will be happy to answer any questions you might have.

STATEMENT OF HERBERT R. RAINWATER, DIRECTOR, VETERANS' ADMINISTRATION REGIONAL OFFICE BEFORE SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT COMMITTEE ON VETERANS' AFFAIRS, HOUSE OF REPRESENTATIVES, JANUARY 12, 1984

Mr. Chairman and Members of the Subcommittee: The Veterans Administration is pleased to have the opportunity to share with this Subcommittee the the progress that has been made toward implementing Public Law 98-77, the Emergency Veterans' Job Training Act of 1983. We are particularly pleased and honored that the author of the Bill, Chairman Marvin Leath, has taken time from his busy schedule to honor California and San Diego veterans by conducting these hearings.

We are encouraged by the productive relationship that has grown between the three VA Regional Offices in the State of California, the offices of the Veterans Employment and Training Service of the Department of Labor and California's Employment Development Department. We believe that will help us to find meaningful job training under Public Law 98-77 and ensure that the resources of three agencies are used effectively to meet the employment and training needs of veterans with a minimum of duplication and delay.

I will now summarize our efforts to implement Public Law 98-77 in the San Diego area:

On August 19, 1983, we received our first inquiry from veterans regarding the Emergency Veterans' Job Training Act. By October 14, when application forms first became available, we had received 118 inquiries from veterans, and .003 forms were mailed in response to those inquiries. Applications are now being mailed on a daily basis to veterans who have inquired about the program.

On September 12 and 12, Mr. Dennis Rhoades from the VA Regional Office, Veterans Services Division, in Los Angeles, met with officials from the California Employment Development Department, including John Healy, the Assistant Deputy Director, to discuss our mutual responsibilities in implementing Public Law 98-77.

On September 30, the Veterans Services Officers from the three Regional Offices in California, along with representatives from field offices of the Department of Labor, State Employment Service representatives, and other Veterans Services Officers from the Western Region, attended training on Public Law 98-77 in Reno, Nevada. The training was conducted by VA specialists from Washington, D.C. and the Department of Labor.

On October 3, our Veterans Services Officer met with Jim Cauhape, Administrator District VIII (San Diego County) Employment Development Department and made preliminary arrangements to conduct training for selected Veterans Employment Representatives and Disabled Veterans Outreach Representatives.

Presentations and training were held during October for the following groups and individuals:

Chapter 2, Disabled American Veterans at their regular monthly meeting.

Service Officers of the Veterans Service Organizations.

State of California Employment Development Department, Mr. Joe Hollinshead.

Vietnam Veterans of San Diego at their monthly meeting.

Employment Development Department employees and Vet Center representatives from San Bernardino and Riverside Counties at the VA Medical Center, Loma Linda.

Approximately 40 representatives of the Employment Development Department were briefed in an all-day session at the San Diego Regional Office. (The Los Angeles and San Francisco Regional Offices held similar sessions in other locations throughout the state.)

A list of employers who had requested information on Public Law 98-77 was given to Joe Hollinshead so that he and his Disabled Veterans Outreach Representatives could assist those employers with their applications.

Mr. Paul Grasso, Director of the Vietnam Veterans Leadership Program, and his staff assistant met with our Veterans Services Officer and agreed to assist in getting city and county officials to participate in this program.

In early November, Mr. Joe Hollinshead was appointed the Employment Development Department's liaison between the Department and the San Diego Regional Office. Daily contacts are made through Mr. Hollinshead. All information or requests for assistance from the Disabled Veterans Outreach Representatives come through him, and all forms, brochures and requests for contacts with employers are sent through him. This single contact point with the Employment Development Department has been very helpful to our people. Since funding was not received by the VA until November 29, the Employment Development Department deferred most contact with employers until after that date.

As of December 30, 1983, 760 applications from veterans have been received. 432 have been approved and 432 Certificates of Eligibility have been issued. 285 veterans, representing 66 percent of the applications which have been approved, requested counseling. This is a far larger proportion of counseling requests than under the GI Bill. This high rate of counseling requests appears to reflect a widespread need for an understanding of the way this program works, particularly the veteran's responsibility and the responsibilities of the VA and the Job Service. Veterans have exhibited concern about the duration of their Certificates of Eligibility, the ease or difficulty of renewal, the availability of training opportunities, identifying suitable training, developing an approved training program, payments to employers and other issues. We are trying to meet these needs for information and assistance in a number of ways. Weekly workshops are held for veterans requesting counseling. The objectives are to provide orientation to the program, motivate veterans and teach job search and interview skills. After these workshops, a veteran's needs are assessed and he or she may be referred for more comprehensive evaluations and other counseling services. For those who cannot attend these group sessions, job counseling is provided on a walk-in basis. In addition, we coordinate our efforts with

Job Service counselors and the twice-monthly Small Business Administration workshops presented by the Senior Corps of Retired Executives.

We maintain a close relationship with the State Employment Agency. There are daily contacts with the four Disabled Veterans Outreach Representatives assigned to this office and weekly meetings with their supervisor. We maintain close liaison with the two veterans centers in our area, meeting at least monthly to exchange information and referrals of veterans who may need our service. Approximately 45 veterans have filed Emergency Veterans' Job Training applications as a result of this contact. Weekly meetings are held with the vocational counselors of the VA Medical Center, and 18 job training applications have been received as a result of these meetings. Additionally, liaison meetings are held as needed with other agencies, such as the State Rehabilitation Service, private rehabilitation agencies, the Welfare Department and service organizations.

Mr. Chairman, this concludes my testimony on Public Law 98-77. However, I was requested to comment on service disabled veterans pursuing training under Chapter 31.

We also furnish employment assistance to eligible service-disabled veterans who are determined job ready but are in need of services to obtain or maintain employment. Service-disabled veterans pursuing training under Chapter 31, the Vocational Rehabilitation Program, are eligible for employment assistance as are service-disabled veterans who have been prior Chapter 31 participants or who have been prior participants in a program authorized under the Rehabilitation Act of 1973, as amended. These disabled veterans are provided comprehensive assistance in obtaining employment. More specifically, to ensure that comprehensive employment planning takes place, an Individualized Employment Assistance Plan identifies the specific services which the veteran will need in order to obtain and maintain employment, as well as the community agencies and organizations available to provide these services. Employment services can include any of the following:

Job placement assistance by VA staff;

Utilization of employment incentive programs such as Targeted Jobs Tax Credit and Public Law 98-77, the Emergency Veteran's Job Training Act of 1983;

Counseling and other services;

Job Service, including the network of Disabled Veterans Outreach Program staff;

Payment of supplies and licensure examination fees; and

Medical care.

Other appropriate services needed for obtaining or retaining employment. Employment services may be authorized for a period of up to 18 months, and more in certain cases, to ensure that the service-disabled veteran receives the assistance needed in obtaining or maintaining employment. When the veteran has shown that a stable adjustment has been made for ninety days or more, he or she is declared rehabilitated.

During the period from October 1, 1982, to the end of December 1983, 127 disabled veterans were provided employment services. Of this number, 94 are currently employed and 33 are not yet employed or have moved to other locations. Those who are not yet employed are provided continuing assistance under the Individualized Employment Assistance Plan, including use of the Emergency Veterans' Job Training Program as appropriate. Unemployed veterans who have moved are informed of the availability of employment services in their new community as prescribed in the employment plan.

In conclusion, Mr. Chairman, the Veterans Administration is highly pleased with the condition and cooperation we have had among the agencies here in California and we are looking forward to providing California's veterans with the kind of employment training which will lead to stable, productive careers and lives. I will now be happy to answer any questions.

VETERANS' ADMINISTRATION,
San Diego, Calif., February 9, 1984.

Hon. MARVIN LEATH,
Chairman, Subcommittee on Education, Training and Employment, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Per your letter of January 30, 1984, the following responses are submitted to your questions regarding the hearing held in San Diego on January 12, 1984:

1. Applications for employment have been processed in an average of seven days. Currently this average is five days. One additional day is required for the certificate of eligibility to issue from our Hines, Illinois data processing center. This time

frame appears to be adequate in that the number of veteran applicants far exceeds the number of approved employers and available jobs.

2. A schedule to review 25 percent of the veterans employed will be required each fiscal year. Those employers with the largest number of veterans employed will be given priority in developing a schedule. The frequency of the reviews may be adjusted pending the results of the initial survey. Actual on-site visits will commence in the near future. State approving agencies will be asked to assist the VA by conducting on-site and oversight visits at the VA's request. In addition, we have included Emergency Veterans' Job Training Act actions in the review of field education program activities.

3. Of the 47 employers currently being reimbursed under this law, 45 have been approved for monthly payments.

4. All veterans who were approved under this program prior to the appropriations of funds were notified immediately after funds became available.

5. Approximately 80 percent of the applicants already have established claims files. Evidence requirements under this law have been relaxed as they pertain to proof of service on file. If the evidence was acceptable at the time it was submitted, we accept it for proof of active duty. If no evidence of service is on file, procedures currently in effect are used. This requires a document issued by the service department. A copy of an original is acceptable if the copy was issued by the service department, or if the copy was issued by a public custodian of records who certifies that it is a true and exact copy of the document in the custodian's custody.

If the veteran does not have the original DD214 or an acceptable substitute, we request verification of active duty from the appropriate service department.

Overall, establishing proof of service has presented no significant problem.

6. A breakdown by period of service or sex of applicant is not presently available. With the short time frame in which to have an automated system in place, minimal information was captured for payment and record keeping purposes. We will be able to obtain this information for analytical purposes at a later date.

7. Work-study personnel have been used extensively in the Veterans Services Division and the State Employment Office in connection with this program. They have performed such services as filing, copying, answering the telephone, messengers for files and documents along with other routine duties. Work-study personnel are also working in outbased employment offices. They are utilized in contacting veterans and employers. In the Adjudication Division, they are used only incidentally such as assisting the file clerks.

Sincerely,

HERBERT R. RAINWATER,
Director.

STATEMENT OF FRANK W. TERRY

AREA DIRECTOR, VETERANS ADMINISTRATION

OFFICE OF PUBLIC AND CONSUMER AFFAIRS, LOS ANGELES

BEFORE THE

SUBCOMMITTEE ON EDUCATION, TRAINING AND EMPLOYMENT

OF THE

HOUSE VETERANS AFFAIRS COMMITTEE

JANUARY 12, 1984

Chairman Leath and distinguished members of the Educational Subcommittee, I thank you for this opportunity to report our publicity and promotional efforts to date in behalf of the Emergency Veterans' Jobs Training Act of 1983 (PL 98-77). I am an Area Director for the VA Office of Public and Consumer Affairs.

My testimony covers the states of Arizona, California, Hawaii, and Nevada. While Northern California and Nevada are not part of my area, they are included because they are part of Joe Kirkbride's region. Mr. Kirkbride is the Regional Information Director for the Department of Labor (DOL), and his region covers the four states that I have indicated. My colleague, VA Area Director for Public and Consumer Affairs in San Francisco, Jed Jorgenson, has Northern California and Nevada. All three of our offices have been working in concert on the Jobs Act promotion within the four states named.

Initially, I received two general instructions regarding PL 98-77. First, the Law would be administered within the VA through our Department of Veterans Benefits (DVB) and I would receive my direction from the DVB, primarily from the Los Angeles VA Regional Office (VARO) regarding any publicity efforts. Second, we would not begin any of the publicity until the appropriation for the Bill was approved.

In the middle of October, I went to a meeting in Sacramento, California, attended by representatives of DOL, the California State Employment Development Department (EDD), and the VA. This was a planning meeting for officials who would administer the Act in California.

After a thorough discussion of the publicity and outreach aspects of the Act, the consensus was to utilize the regular and standard forms of promotion through media. "Slotted" news releases were prepared for use by program staff people in small areas wherein local names, dates, and telephone numbers could be inserted into the body of the copy of an appropriate release. Public service spot announcements were to be utilized along with periodic news releases and scheduled interviews of appropriate government officials, employers, and veterans.

We believed that the best publicity for veterans would come through the State EDD system, and that there was a need to direct the initial emphasis of our publicity towards informing employers about the Act and their participation. This approach proved to be correct, according to information later provided me by VA staff people: In Los Angeles some 2,200 veterans already were in the process of applying for jobs while only 160 openings had been approved, and in San Francisco, 1,200 veteran applications had been received for 47 approved employers. Therefore, it was felt that our greatest effort and emphasis should first be on publicity directed towards employers.

There were other publicity planning meetings held -- in Sacramento with Susanne Schroeder, California State EDD Public Affairs Officer; with Joe Kirkbride and Ted Joryenson in San Francisco; in Los Angeles with Pat Shelley, San Diego VARO Veterans Services Officer (VSO) and Community Relations Aide.

Telephone contacts were made with Toy Grice, Honolulu, VARO VSO, and James Price, Phoenix VARO VSO, who handle public affairs activities as collateral duties in their respective states; and Steve Brown, DOL Assistant Regional

Information Director in San Francisco, whose efforts were responsible for many of the media contact details of this report. (Additional promotional activities of VARO personnel are listed in Attachment A.)

Our method of operations was to have program people in the various VAROs of the DVB furnish Ted Jorgenson and my office with information concerning each employer as his program was approved. The employers were then called and asked if they would consent to being interviewed by media. The names and cities of those employers who agreed (28 out of 39 contacted as of December 31) were shared with the DOL Regional Information Office. Both the VA and DOL then contacted appropriate news media in the employer's city for interviews or articles regarding the Act and the employer's participation. Also contained in this report, in addition to those persons previously named, are the efforts of Linda Bonniksen in San Francisco, and Louise Farmer in Los Angeles, both VA Public Affairs Program Assistants.

We began promoting PL 98-77 during the latter part of November. Up to the present time interviews have been arranged for spokespersons either from the DOL or VA to explain the program. Employers have been interviewed as well. While I have indicated that we focused on employers, we always included the mention of veterans and how they could participate. Broadcasts or written articles have appeared in all of the four states.

Some of the cities where special publicity has appeared are: Reno/Carson City area, Honolulu, Phoenix, San Diego, San Jose, Riverside, Fresno, Los Banos (Calif.), Los Angeles area, San Francisco Bay area, Santa Ana, and Palm Springs.

Interviews have been conducted on television and radio. They have ranged from 60-second items during newscasts to half-hour one-on-one interview special broadcasts.

Other future media and public events have been scheduled through March 1984. Tomorrow, January 13, Tom Skinner, Education Liaison Representative for the Los Angeles VARO, will address the quarterly meeting of the California Governor's Committee for Employment of the Handicapped. Dr. Lois High, Los Angeles VARO Director, will address The Town Hall of California in Los Angeles March 14. Both presentations are based on PL 98-77.

On January 10, the DOL's Veterans Employment and Training Service (VETS) began shipping video public service tapes to the 100 top television broadcast markets of the nation. They consist of five spots, four in English and one in Spanish. They are also sending a like number of radio audio cassettes to the 100 major markets. Joe Kirkbride will have extra copies of each in order to cover such areas as Honolulu and Las Vegas that may not be included within the 100 markets selected.

The Labor Department is preparing 10,000 press kits for mid-January shipment through VETS regional directors to VETS state directors and assistant directors for appropriate distribution. Each packet will contain suggested editorials, format news releases, newspaper and magazine public service ads, instructions on how to work with veteran organizations, and other informational material.

Accompanying my testimony are attachments listing the promotional activities by VA Regional Office personnel assigned leadership roles in the implementation of PL 98-77 (Attachment A); general releases sent to news media in the four states (Attachment B); and some of the news clippings we have been able to collect so far pertaining to the Act (Attachment C).

Since the start-up time, our campaign has run quite smoothly. Media response has been favorable. I know of no expressed editorial dissent. Most news outlets seem willing to cooperate with us as we seek publicity opportunities.

Dennis Rhoades, the Los Angeles VARO coordinator for PL 98-77, and Dr. Ron Miller, California State VETS Director, typify the kind of support given to the publicity and outreach portions of the Act by VA, DOL, and EDD executives. They lend themselves completely to insuring that our promotional objectives are reached. Enthusiasm and dedication is prevalent at every level of our endeavor. We are hopeful of achieving high degrees of success as we continue the campaign.

Again, I thank the Committee for this opportunity to report our progress, and Chairman Leath for the invitation. I am willing to answer any questions within my ability to do so.

ATTACHMENT A

Promotional Activities by

VA Regional Office Personnel

PROMOTIONAL ACTIVITIES BY VA REGIONAL OFFICE PERSONNEL

Some of the activities by VA Regional Office staff members at Honolulu, Los Angeles, Phoenix, and San Diego relative to the promotion/publicity of the Jobs Act are as follows:

HONOLULU VA REGIONAL OFFICE

Veterans Services Officer attended the NCOA Job Fair at the Ala Moana Hotel and discussed the Jobs Act with numerous employers. He distributed handouts on the program and has received calls from several employers concerning participation in the program.

Veterans Services Officer gave a presentation to 15 businessmen in Waipahu, Hawaii, on the Jobs Act.

Letters were sent to several hundred employers listed in the Chamber of Commerce Directory and to other lists provided by the Hawaii State Department of Labor.

The Jobs Act was featured on a two-hour "Veterans Radio Program" on KZHI Radio (talk show format with listeners submitting questions). The State Director of Veterans Employment Services also participated.

LOS ANGELES VA REGIONAL OFFICE

Field Section Chief was interviewed by Mr. Scott of KFWB Radio. Several employers, after hearing the interview, contacted the Field Section for further information.

"BRAVO," a one-half hour cable television show, will feature Jobs Act interviews of two VARO executives. "BRAVO" is syndicated and directed to veterans. This show will be televised in several outlets throughout the nation.

PHOENIX VA REGIONAL OFFICE

Education Liaison Representative discussed the Jobs Act with the Arizona Veterans Program Association (group of college officials) and the Tucson Chapter of the Vietnam Veterans of America.

Vocational Rehabilitation Representative met with the personnel manager of O'Malley Corporation. O'Malley is a large corporation with outlets in Tucson and Phoenix.

SAN DIEGO VA REGIONAL OFFICE

Veterans Services Officer was interviewed by Bob Dietrick, San Diego Tribune.

Veterans Services Officer was interviewed by Maria Martinez, KSDO Radio, and Hal Gray, KCST-TV (NBC). The television interview aired between football games.

ATTACHMENT B

General News Releases

For Four State Area

CONTACT: FRANK W. TERRY
(213) 209-7686

Office of Public and Consumer Affairs

11000 Wilshire Boulevard
Los Angeles CA 90024

Veterans Administration

News Release

NOVEMBER 18, 1983

PRESIDENT SIGNS APPROPRIATION MEASURE FOR VETERANS' JOBS BILL

President Reagan has signed legislation appropriating $75 million in support of a job training program to aid unemployed Vietnam Era and Korean Conflict veterans.

Congress authorized the funds last week to provide financial incentives to employers to hire and train veterans. Congress is considering an additional $75 million in funding for the first year of the two-year program.

"This is a major undertaking and it underscores the nation's special commitment to those who have served in the military," Administrator of Veterans Affairs Harry N. Walters said.

The joint Labor Department-Veterans Administration effort will be administered by the VA. The program will fund 50 percent of the starting hourly wages up to $10,000 for veterans to provide a maximum of 15 months of training for certain veterans with service-connected disabilities, and up to nine months for other participants. It also will allow employers to enter into agreements with educational institutions to provide vocational instruction.

To be eligible for participation in the program, a veteran must have been unemployed for at least 15 of the 20 weeks immediately preceding the date of his or her application. Eligible veterans will be furnished a certificate of eligibility by the VA to be presented to an employer offering a job training program that meets specified requirements. This certificate will be good for a period of 60 days and may be renewed. Applications may be obtained from the Los Angeles VA Regional Office, 11000 Wilshire Blvd., telephone (213) 879-1303 or toll-free 1-800-352-6592 and also at local State Employment Development Department (EDD) offices.

Employers wishing to take part in the program are urged to contact the VA or State EDD as well. Approval of training programs will be made by the VA.

Assistance under the program is prohibited for those veterans receiving education or training benefits for the same period under the GI Bill or the Post Vietnam Educational Assistance Program. Also barred from participating are employers receiving assistance for a veteran under the Labor Department's Job Training Partnership Act or a credit under the Targeted Jobs Tax Credit Program.

# # #

06/71 CO/PCAAD
11/18/83

28 NOV [illegible]

Regional Office

3225 North Central Avenue
Phoenix AZ 85012
(602) 241-2703
ATTN: JIM PRICE

FOR IMMEDIATE RELEASE

Veterans Administration

News Release

PRESIDENT SIGNS APPROPRIATION MEASURE FOR VETERANS' JOB BILL

(PHOENIX)--President Reagan has signed legislation appropriating $75 million in support of a job training program to aid unemployed Vietnam Era and Korean Conflict veterans, Roger W. Brickey, VA regiona' office dirctor announced.

Congress authorized the funds last week to provide financial incentives to employers to hire and train veterans. Congress is considering an additional $75 million in funding for the first year of the two-year program.

"This is a major undertaking and it underscores the nation's special commitment to those who have served in the military," Brickey said.

The Labor Department-Veterans Administration effort will be jointly administered by the VA, DOL and Arizona Job Service. The program will fund 50 percent of the starting hourly wages up to $10,000 for veterans to provide a maximum of 15 months of training for certain veterans with service-connected disabilities, and up to nine months for other participants. It also will allow employers to enter into agreements with educational institutions to provide vocational instruction.

To be eligible for participation in the program, a veteran must have been unemployed for at least 15 of the 20 weeks immediately preceding the date of his or her application. Eligible veterans will be furnished a certificate of eligibility by the VA to be presented to an employer offering a job training program that meets specified requirements. This certificate will be good for a period of 60 days and may be renewed. Applications may be obtained from the VA Regional Office, 3225 North Central Avenue, telephone 263-5411 in Phoenix, 622-6424 from Tucson, or toll-free 1-800-352-0451 elsewhere in Arizona and also at local State Employment Job Service offices.

Employers wishing to take part in the program are urged to contact the VA or Arizona Job Service as well. Approval of training programs will be made by the VA.

Assistance under the program is prohibited for those veterans receiving education or training benefits for the same period under the GI Bill or the Post Vietnam Educational Assistance Program. Also barred from participating are employhers receiving assistance for a veteran under the Labor Department's Job Training Partnership Act or a credit under the Targeted Jobs Tax Credit Program.

CONTACT: TOY G. GRICE
(808) 546-3788

Regional Office P.O. Box 50188
Honolulu, HI 96850

Veterans Administration

News Release

November 30, 1983

RELEASE OF FUNDS FOR VETERANS' EMERGENCY JOB TRAINING ACT

HONOLULU -- Robert L. Winters, Director of the Honolulu VA Regional Office, announced that funds for the Emergency Job Training Act of 1983 have been released by the Office of Management and Budget to the Veterans Administration.

The Act will make available to Korean Conflict and Vietnam-era veterans on-the-job training opportunities for those veterans who have been unemployed for at least 15 of the 20 weeks immediately preceding the date of his or her application to participate in the program to the Veterans Administration.

Under the Act, employers will be paid 50 percent of the starting hourly wages up to $10,000 to provide from 9 to 15 months of training to our veterans.

Winters urges all Korean Conflict and Vietnam-era veterans who feel they meet the unemployment criteria, as well as prospective employers, to visit or call the Veterans Administration for additional information or an application to participate in the program.

Funds and instructions for granting delimiting date extensions for pursuit of Associate Degree programs which are predominantly vocational in nature, were also released.

Applications and information for veterans and employers for the Veterans Job Bill may be obtained from the Hawaii State Employment Service office nearest you or:

On Oahu:	Contact the VA Regional Office Room 1204, PJKK Federal Building 300 Ala Moana Boulevard Honolulu, Hawaii 96850 Phone: 546-8962
On Hawaii:	Contact the Veterans Affairs Unit State Office Building Hilo, Hawaii 96720 Phone: 961-7390 or Contact VA Honolulu Regional Office direct, phone: 961-3661
On Maui and Molokai:	Contact the Veterans Affairs Unit State Office Building Wailuku, Maui 96796 Phone: 244-4266 or Contact VA Honolulu Regional Office direct, phone: 1-800-232-2535
On Kauai:	Contact the Veterans Affairs Unit State Office Building Lihue, Kauai 96766 Phone: 245-4348 or Contact VA Honolulu Regional Office direct, phone: 1-800-232-2535
On Guam:	Veterans Administration U. S. Naval Regional Medical Center P. O. Box 7613 FPO, San Francisco, CA 96630 Phone: 344-9200)
On American Samoa:	Mr. Richard A. Young Veterans Affairs Officer Government of American Samoa P. O. Box 2586 Pago Pago, AS Phone: 633-4206

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ATTACHMENT C

Newspaper Clippings

Employers Offered Subsidy For Hiring Jobless Veterans

1105

Businessmen in the Hemet area in need of an employee and an extra $10,000 and unemployed veterans in need of a job may have their dreams come true.

For the businessman, all that is required to collect the $10,000 is to hire an unemployed veteran of the Korean or Vietnam wars. And for the unemployed veteran looking for that job, all he needs is an employer offering a job under the program.

Veterans Administration Director Harry N. Walters praised the program, calling it "a major undertaking." He said, "it underscores the nation's special commitment to those who have served in the military."

Both the Veterans Administration and the state Employment Development Department are working now to match both employer and employee in the plan.

The pilot two-year program was recently passed by Congress and signed into law by President Reagan. It provides $75 million in financial incentives to employers to hire and train veterans. Congress also is considering an additional $75 million in the first year to help get the plan off the ground.

WAGES FUNDED

The joint Labor Department-Veterans Administration effort will be administered by the VA. The program will fund 50 percent of the starting hourly wages up to $10,000 for veterans to provide a maximun of 15 months of training for certain veterans with service-connected disabilities. It also provides up to nine months for other participants.

Employers may provide their own training or enter into agreements with educational institutions to provide the vocational training for them.

To be eligible for participation in the program, a veteran must have been unemployed for at least 15 of the 20 weeks immediately preceding the date of his application. Qualified veterans will be furnished a certificate of eligibility by the VA to be presented to an employer offering a job training program that meets specified requirements.

This certificate will be good for a period of 60 days and may be renewed. Application may be obtained from the local EDD office at 151 North Lyon avenue, Hemet or by calling the toll-free number of the Veterans Administration.

Employers wishing to take part in the program can contact the VA or the Hemet office of EDD as well.

TRAINING PLANS

The training plans provided by employers should last for at least six months but can be longer. Payment under this act may be for up to 15 months for service-connected veterans and nine months for other eligible veterans. A three-month program may be approved if it still meets the essential purposes of the act.

All employment, according to the VA, should be in either a growth industry, an occupation requiring technical skills or an occupation where demand exceeds the supply of workers.

Employers must certify that they plan to hire the veteran upon completion of the training. Adequate facilities for training must be available, wages and benefits must be no less than those normally paid to other workers doing similar tasks, and training cannot be for a position for which the veteran already qualifies.

PAYMENT RULES

Reimbursements for employers will be 50 percent of the starting wage up to a maximum of $10,000 per veteran. Payments will be made at the end of each three-month period of training or can be monthly in the case of employers with fewer than 75 employees.

Assistance under the program is prohibited for those veterans receiving education or training benefits for the same period under the GI Bill or the Post Vietnam Educational Assistance Program.

Simi Valley, CA
(Ventura Co.)
Enterprise
(D. 13,244)

NOV 24 1983

Allen's P. C. B Est. 1888

Job training help offered

Employers can receive up to $10,000 by training and hiring eligible Vietnam era or Korean conflict veterans through provisions of the Emergency Veterans' Job Training Act of 1983.

According to Karl Jaedtke, representative of the local Employment Development Department, the training programs employers design should last at least six but not more than 15 months. He said the programs should be in one or more of these categories:

— A growth industry.

— An occupation requiring technical skills.

— An occupation where demand exceeds the supply of workers.

Employers must certify that they plan to hire the veteran upon the completion of the training. Adequate facilities for training must be available.

Wages and benefits must be no less than those normally paid, and training cannot be for a position for which the veteran already is qualified.

The reimbursement will be 50 percent of the starting wage, up to a maximum of $10,000 per veteran.

Payments will be made at the end of each three-month period of training, or they can be made monthly to employers who have less than 75 employees.

Veterans serving during the Vietnam era (Aug. 5, 1964-May 7, 1975) or the Korean conflict (June 27, 1950-Jan. 31, 1955) may be eligible for job training assistance.

For further details, applications for eligibility and assistance, contact the Employment Development Department, 3855 Alamo St., Simi Valley. The telephone number is 522-6760.

El Cajon, CA
(San Diego Co.)
Daily Californian
(D. 100,271)

NOV 24 1983

Allen's P. C. B Est. 1888

Hiring veterans could pay

Businesses that hire unemployed veterans of the Vietnam or Korean wars could receive up to $10,000 for training and salaries from the Veterans Administration.

Under the Emergency Veterans Job Training Act of 1983, the VA will pay a business 50 percent of a veteran's starting salary up to a maximum of $10,000 if the company sets up a training program of six months or longer for that veteran.

Under the provisions of the bill, the training program cannot be set up for a position in which the veteran already qualifies, and the business must agree to hire the veteran at the end of the training program.

To qualify for the program, veterans must have been employed for at least 15 of the 20 weeks prior to applying for the program. Applications for the program are available at the VA regional office at 2022 Camino del Rio North in Mission Valley.

Phoenix, AZ
(Maricopa Co.)
Arizona Informant

NOV 3 6 1983

Allen's P. C. B Est. 1888

JOB BILL $75 MILLION IN FUNDING FOR THE FIRST YEAR

Congress authorized funds last week to provide financial incentives to employers to hire and train veterans. Congress is considering an additional $75 million in funding for the first year of the two-year program.

"This a major undertaking and it underscores the nation's special commitment to those who have served in the military," Brickey said.

The Labor Department-Veterans Administration effort will be jointly administered by the VA, DOL and Arizona Job Service. The program will fund 50 percent of the starting hourly wages up to $10,000 for veterans to provide a maximum of 15 months of training for certain veterans with service-connected disabilities and up to nine months for other participants. It also will allow employers to enter into agreements with educational institutions to provide vocational instruction.

To be eligible for participation in the program, a veteran must have been unemployed for at least 15 of the 20 weeks immediately preceding the date of his or her application. Eligible veterans will be furnished a certificate of presented to an employer offering a job training program that meets specified requirements. This certificate will be good for a period of 60 days and may be renewed. Applications may be obtained from the VA Regional Office, 3225 North Central Avenue, telephone 263-5411 in Phoenix, 622-6424 from Tucson, or toll-free 1-800-352-0451 elsewhere in Arizona and also at local state Employment Jobk Service Offices.

Employers wishing to take part in the program are urged to contact the VA or Arizona Job Service as well. Approval of training contact the VA or Arizona Job Service as well. Approval of training programs will be made by the VA.

Assistance under the program is prohibited for those veterans receiving education or training benefits for the same period under the GI Bill or the Post Vietnam Educational Assistance Program. Also barred from participating are employers receiving assistance for a veteran under the Labor Department's Job Training Partnership Act or a credit under the Targeted Jobs Tax Credit Program.

Montebello, CA
(Los Angeles Co.)
Montebello Messenger
(Cir. W. 2,000)

DEC 1 1983

Allen's P. C. B Est. 1888

President Signs Appropriation Bill For Veterans Jobs

President Reagan has signed legislation appropriating $75 million in support of a job training program to aid unemployed Vietnam Era and Korean Conflict veterans.

Congress has authorized the funds to provide financial incentives to employers to hire and train veterans. Congress is considering an additional $75 million in funding for the first year of the two-year program.

"This is a major undertaking and it underscores the nation's special commitment to those who have served in the military," Administrator of Veterans Affairs Harry N. Walters said.

The joint Labor Department-Veterans Administration effort will be administered by the V.A. The program will fund 50 percent of the starting hourly wages up to $10,000 for veterans to provide a maximum of 15 months of training for certain veterans with service-connected disabilities, and up to nine months for other participants. It also will allow employers to enter into agreements with educational institutions to provide vocational instruction.

To be eligible for participation in the program, a veteran must have been unemployed for at least 15 of the 20 weeks immediately preceding the date of his or her application. Eligible veterans will be presented to an employer offering a job training program of 60 days and may be renewed. Applications may be obtained from the Los Angeles VA Regional Office, 11000 Wilshire Blvd., phone (213)879-1303 or toll free 1-800-352-6592 and also at local State Employment Development Departmest (EDD) offices.

Employers wishing to take part in the program are urged to contact the VA or State EDD as well. Approval of training programs will be made by theVA.

Assistance under the program is prohibited for those veterans receiving education or training benefits for the same period under the GI Bill or the Post Vietnam Educational Assistance Program. Also barred from participating are employers receiving assistance for a veteran under the Labor Department's Job Training Partnership Act or a credit under the Targeted Jobs Tax Credit Program.

Carlsbad, CA
(San Diego Co.)
Carlsbad Journal
(Cir. 2x/W. 14,000)

DEC 7 '83

Allen's P. C. B Est. 1888

Hiring veteran can earn employer $10,000

Employers can receive up to $10,000 if they train and hire an eligible Vietnam era or Korean conflict veteran through the provisions of the Emergency Veterans' Job Training Act of 1983 (Public Law 98-77).

The training programs designed should last for at least six months and can be for longer. Payment under this act may be for up to 15 months for service-connected veterans and nine months for other eligible veterans. A three-month program may be approved if it still meets the essential purposes of this act. All programs should be in one or more of the following categories:

— a growth industry: — an occupation requiring technical skills; or — an occupation where demand exceeds the supply of workers.

Employers must certify that they plan to hire the veteran on the completion of the training. Adequate facilities for training must be available, wages and benefits must be no less than those normally paid, and training cannot be for a position for which the veteran already qualifies.

Reimbursement will be 50 percent of the starting wage up to a maximum of $10,000 per veteran. Payments will be made at the end of each three-month period of training or can be monthly in the case of employers with less than 75 employees.

Interested employers should contact the nearest local State Employment Job Service Office, the Veterans Administration Regional Office, 2022 Camino Del Rio North, San Diego.

SOURCE
The Construction Labor News
CITY AND STATE
San Jose, CA
DATE OF PUBL
9 December 83

Special training program for jobless veterans

SAN FRANCISCO – The new on-the-job training program for unemployed veterans will allow employers to put the former soldiers to work and have some government help in defraying the costs of training.

Called the Emergency Veterans' Job Training Act, the program will reimburse employers for up to half of the starting wage for training or retraining veterans of the Vietnam era or Korean conflict up to a maximum $10,000.

To qualify, the veteran must have been unemployed for at least 15 of the 20 weeks prior to applying for the program.

Joseph J. Molinari, regional director of the Veterans' Employment and Training Service (VETS), said the new program highlights the nation's special commitment to those workers who served in Vietnam and Korea and now have employment needs.

"There is a simple application, approval and feedback process fo. both the employer and the veterans," Molinari said. "We have reduced paperwork to a minimum," he said.

The special jobs program, expected to cost $150 million in the fiscal year that ends next Sept. 30, is jointly administered by the U.S. Department of Labor and the Veterans' Administration.

Employers and eligible veterans should contact the nearest office of the state employment service or regional offices of the Veterans' Administration.

The employment service has veterans' employment representatives who will provide special assistance to veterans and can assist employers in finding qualified workers to fill job training programs.

Employers who agree to hire and train veterans will be required to certify that they plan to retain the vet following completion of the training. The training must be in a growth industry and either be in an occupation requiring technical skills or in an occupation where demand exceeds the supply of available workers. The maximum training is nine months, except for veterans with service-connected disabilities who are eligible for up to 15 months of trainir

Eligible veterans wi given a certificate of elig by the VA to be given th ployer offering an app job training position. Th tificate is good for 60 day may be renewed.

Approval of employer ing programs and reimb ments to the employers w made by the Veterans' Ad istration.

Veterans receiving e tion or training benefits the GI Bill or the post- nam educational assistanc not eligible for the pro Also, employers receivin sistance for a veteran und labor Department's Job T ing Partnership Act or credit under the Targeted Tax Credit Program cann ceive reimbursement unde new law for the same ve for the same period of tim

Green Valley, AZ
(Pima Co.)
Green Valley Sun
(Cir. W.)

DEC 8 1983

Allen's P. C. B Feb 1988

Reagan signs legislation for veteran job training

President Reagan has signed legislation appropriating $75 million in support of a job training program to aid unemployed Vietnam Era and Korean Conflict veterans, announced Roger W. Brickey, VA regional office director.

Congress authorized the funds to provide financial incentives to employers to hire and train veterans. Congress is considering an additional $75 million in funding for the first year of the two-year program.

"This is a major undertaking and it underscores the nation's special commitment to those who have served in the military," Brickey said.

The Labor Department-Veterans Administration effort will be jointly administered by the VA, DOL and Arizona Job Service. The program will fund 50 percent of the starting hourly wages up to $10,000 for veterans to provide a maximum of 15 months of training for certain veterans with service-connected disabilities, and up to nine months for other participants.

It also will allow employers to enter into agreements with educational institutions to provide vocational instruction.

To be eligible for participation in the program, a veteran must have been unemployed for at least 15 of the 20 weeks immediately preceding the date of application. Eligible veterans will be furnished a certificate of eligibility by the VA to be presented to an employer offering a job training program that meets specified requirements. This certificate will be good for a period of 60 days and may be renewed.

Applications may be obtained from the VA Regional Office, 3225 N. Central Ave., Phoenix, or call 1-622-6424, or local State Employment Job Service offices.

Employers wishing to take part in the program are urged to contact the VA or Arizona Job Service as well. Approval of training programs will be made by the VA.

Assistance under the program is prohibited for those veterans receiving education or training benefits for the same period under the GI Bill or the Post Vietnam Educational Assistance Program.

Also barred from participating are employers receiving assistance for a veteran under the Labor Department's Job Training Partnership Act or a credit under the Targeted Jobs Tax Credit Program.

SOURCE
The Examiner
CITY AND STATE
San Francisco, CA
DATE OF PUBL.
14 December 83

Good news for vets

THERE'S GOOD NEWS for unemployed Vietnam and Korean veterans with the signing by President Reagan of a $75-million appropriation to fund a job training program for them.

Under the Emergency Veterans' Job Training Act of 1983, the appropriation will be used as financial incentive to employers who hire and train veterans. Congress is also considering funding the first year of the two-year program with an additional $75 million, the Veterans Administration says.

The training program is a joint Labor Department-Veterans Administration effort to be administered by the VA. Veterans will be employed in full-time, job-training positions with the program funding half of the veterans' wages up to $10,000.

Employers will provide up to 15 months of training for certain veterans with service-connected disabilities and up to nine months for other vets.

Veterans must obtain a certificate of eligibility from the VA and be unemployed for at least 15 of the 20 weeks prior to the date of application. It must be presented to employers who offer training programs that meet specific VA requirements.

Certificate applications may be obtained from the San Francisco VA regional office at 211 Main St., or by calling toll free 800-652-1240.

Applications can also be obtained from California Employment Development offices, county service officers or veterans' service organization representatives.

Employers who wish to take part in the program should contact their local California Employment Development Department office.

Assistance under the program is prohibited for those vets who receive education or training benefits for the same period under the GI Bill or the post-Vietnam Educational Assistance Program.

Employers, the VA says, may not receive assistance for a vet under the Labor Department's Job Training Partnership Act or a credit under the Targeted Jobs Tax Credit Program while the same vet is participating in the job training program.

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SOURCE
HONOLULU STAR-BULLETIN
CITY AND STATE HONOLULU, HAWAII
MONDAY, DECEMBER 26, 1983
DATE OF PUBL.

New On-the-Job Training Program to Aid Veterans

Early application for a new on-the-job training program for Korean and Vietnam veterans is advised by Joshua C. Agsalud, state labor director.

To qualify, Vietnam or Korean veterans must have been unemployed for at least 15 of the 20 weeks prior to applying. The maximum training period is nine months, except for veterans with service-connected disabilities who are eligible for up to 15 months of training.

Employers with approved programs will be reimbursed 50 percent of the starting wage up to a maximum of $10,000 per veteran. Payments will be made at the end of each three-month period of training or can be monthly in the case of employers with fewer than 75 employees.

Hawaii employers and veterans interested in learning more about this program should call the Veterans Administration at 546-3788.

Interested individuals also may call their nearest Hawaii State Employment Service office.

Total funding for the program under the Emergency Veterans' Job Training Act of 1983 is $150 million nationwide for the fiscal year that ends next Sept. 30.

"The reason for urgency is that no individual state allocation was made and applications for training slots will be handled on a first-come, first-served basis," Agsalud said.

"We want to be sure that Hawaii employers and veterans know about this program and have an opportunity to get their share of these positions."

TESTIMONY OF RONALD L. MILLER, PH.D., STATE DIRECTOR FOR VETERANS' EMPLOYMENT AND TRAINING, CALIFORNIA

Mr. Chairman, I wish to thank you for the opportunity to appear before the Subcommittee on Education, Training, and Employment. I have had the privilege to testify before this Subcommittee and the full Committee on Veteran Affairs in the past. It is a special pleasure to appear before you here in San Diego.

California continues to provide priority services to all Veterans and Eligible Persons as prescribed by federal law. The Employment Development Department (EDD) implemented the permanent Disabled Veteran Outreach Program (DVOP) in 1981 during a time of severe budget and staff reductions. At that time 130 temporary and former DVOPs were transitioned to permanent status. There were problems which required total cooperation by EDD and Veterans' Employment and Training Service (VETS) before they were resolved. This cooperative working relationship was highlighted at the successful negotiations of the DVOP/LVER Grant Agreement for fiscal year 1984. At present, California has allocated 206 DVOP positions and 115 full or part-time LVER positions.

After a slow start, California finished the fiscal year 1983 by meeting 3 or 4 Floor Levels and 16 of 16 Preference Indicators. This compliance was achieved in spite of the economic recession.

VETS has been monitoring the implementation of the Job Training Partnership Act (JTPA) in California. Each of the fifty Service Delivery Areas (SDAs) were contacted and urged to incorporate veterans in their training programs. Thirty-one proposals totalling $3,000,000 were received when the Request for Proposals for JTPA Title IV-C funds were sent out. These proposals are now being evaluated and grants will be awarded around February 1, 1984.

At the time the Emergency Veterans Job Training Act (Public Law 98-77) was signed by President Reagan on August 15, 1983, at the VFW convention in New Orleans, our Veterans' Employment and Training Service offices were quickly inundated with calls from veterans. We had to explain that the Act would not be implemented until October 1, 1983, and that they should check with us or their local Job Service office for information after that date. The delay in appropriating funds for the program did create some confusion as these veterans called back after October 1. Nevertheless, we assured them that the program would be implemented as soon as possible.

In late September, the Veterans Administration (VA) and VETS U.S. Department of Labor held joint regional conferences to train staff. Representatives from the State Employment Security Agencies (SESAs) were also present. After the regional conferences, the various agencies in California met on October 12-13 to develop a training program for staff and to ensure total cooperation. Representatives from the three VA Regional Offices, EDD, and VETS scheduled eleven training sessions for over three hundred LVERs and DVOPs throughout the state. Each agency was represented at each session, and in some cases the constant travel was a hardship, but certainly done in a willing and dedicated fashion. All trainers performed exceedingly well. I would like to particularly acknowledge my four staff members who did an outstanding job. They are: James L. Griffin, Michael J. Hurley, Earl J. Martin, and Orlando E. Martinez.

The training sessions were conducted between October 24 and November 1, 1983. When the LVERs and DVOPs returned to their local offices, they were ready to sign up veterans and contact employers. Unfortunately, all action was halted until the funds were allocated. Once they received the go ahead, the EDD and VA staff moved quickly.

It is possible that the number of employers may be disappointing and the certification of both employers and veterans has been somewhat slower than anticipated; nevertheless, we believe that Public Law 98-77 was implemented rapidly and effectively.

This implementation is even more impressive when the size and diversity of our state is contemplated. Further, it took the development of an excellent cooperative working relationship among the 3 agencies to ensure implementation. If we have any concern for the success of the program, it is to ensure the enrollment of a sufficient number of qualified employers. Similarly, we are concerned about the lengthy turnaround for employer approval and veteran certification.

Because the implementation for certification moved so rapidly, the planned public relations campaign has not been able to keep pace. The Office of the Assistant Secretary for Veterans' Employment and Training in conjunction with the U.S. Department of Labor Public Information Office (PIO) has been developing electronic and print Public Service Announcements (PSAs), news releases, etc. The final develop-

ment and distribution of these PSAs should be forthcoming after the first of the year. As part of the implementation in California, the PIOs for EDD, the VA, and DOL Region IX have been working to develop PSAs and news releases for local use. For example, the DOL PIO contacts an approved employer to determine if he has hired an eligible veteran and then this information is disseminated to the local media.

This program has been totally supported by all concerned public and private organizations. All of the veterans' organizations have done yeoman service in informing their memberships and encouraging members who are also employers to take advantage of the training program. Community based on organizations (CBOs) were also involved. For example, the Center for Community Economics is conducting a much needed statewide needs assessment. Various SDAs explored ways of utilizing JTPA funds to develop linkages with the Public Law 98-77.

The San Diego community has demonstrated again its interest and commitment in assisting veterans by its support of this program. All of the veterans' organizations, government entities, and the Regional Employment and Training Consortium (RETC) have been working to ensure the success of the program.

The success of all veterans' employment programs, especially the Emergency Veterans Job Training Act, is essential, for I believe that we are at a historical watershed in veterans' legislation. All programs are being scrutinized more closely than ever before. It is incumbent upon those of us advocating programs for benefits to carefully and responsively assess the needs of our veterans before seeking legislative action. Similarly, it is imperative for those of us responsible for implementing and monitoring mandated programs to ensure their success.

PREPARED STATEMENT OF GLEN HALSEY, STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT

It is indeed my pleasure to have an opportunity to present testimony on the administration and effectiveness of laws enacted by the Congress to assist veterans in obtaining job assistance and employment. I will not discuss the Local Veterans Employment Representative (LVER), Disabled American Veterans Employment Services (DAVES), nor Disabled Veterans Outreach Programs (DVOP). These programs are firmly in place and are highly successful. Rather, I will discuss in detail the Emergency Veterans Job Training Act of 1983, as enacted by Public Law 98-77.

The Emergency Veterans Job Training Act of 1983 is a two-year program designed to remedy the problem of severe and continuing unemployment among Korean and Vietnam era veterans. This program proposes to do so by providing a direct monetary payment of up to $10,000 to employers who hire, train and agree to retain eligible veterans in permanent jobs. To be eligible, the veteran must be a Korean conflict or Vietnam era veteran who is unemployed at the time of applying for participation in a training program and has been unemployed for at least 15 of the 20 weeks immediately preceding the date of application for participation.

Three hundred million dollars have been allocated to this program, $150 million for the current federal fiscal year and $150 million for the next year. The funding is unique, however, in that states do not receive a specified funding allocation amount. Rather, the money is being allocated on a "first come, first serve basis". President Reagan signed into law an Appropriation Bill granting the funding for this program on November 15, 1983. However, because the allocation to states is on a "first come, first serve basis", EDD Veteran program staff were trained on the implementation and maintenance of this program between October 25 and November 1, 1983. At the conclusion of the training courses, veterans and employers were informed about this program. Hence, on November 16, the day after President Reagan signed the Appropriation Bill, EDD field offices officially initiated implementation procedures; unofficially, the names and addresses of interested veterans and employers had already been recorded.

To date, 349 EDD Veteran program staff are actively involved in implementing this program at the local level. In addition to staff at the local level, a DVOP specialist has been assigned to each of the four EDD regional offices to work exclusively on activities related to this program. Among other duties, DVOP specialists will monitor the progress of the program in individual field offices, will provide technical assistance to staff when needed, and will coordinate activity with representatives from the Veterans Administration, the entity with the actual authority to approve certification of veterans and employers under the program.

To monitor the progress of the program and to ensure that EDD staff is totally committed to this effort, a Management Information System has been developed.

Under this system, the performances of individual field offices are tracked. This system also allows for the measurement of district, region and statewide performance as well. Successful procedures can be shared amongst offices, while offices not making satisfactory progress can be immediately identified so that appropriate measures can be instituted. Using the Management Information System for the month of November, the following statewide statistics have been recorded: 3,087 veterans requested to participate; 108 employers requested to be certified; and 5,346 total hours were spent on the program by EDD Veteran program staff. Because of the turnaround time in the employer eligibility certification process, very little referral and hire activity has thus far been recorded. Nevertheless, based upon the above figures, the program is off to a good start.

By mid-January, a comprehensive Field Office Directive will be issued to all EDD field offices. This directive will serve as a program manual, and when coupled with the Technical Assistance Guide provided by the Department of Labor, should answer all questions related to the implementation and maintenance of the program.

In conclusion, I would be remiss if I did not publicly commend the Veterans Administration and the Department of Labor-Veterans Employment and Training Service for the effort, support, and cooperation we have received on the Emergency Veterans Job Training Act of 1983.

That concludes my remarks, if there are any questions, I will try to answer them. Thank you for allowing me the opportunity to present this testimony.

PREPARED STATEMENT OF DR. JACK E. HERRERA, CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS

Chairman and members of this distinguished committee. My name is Dr. Jack Herrera and it gives me great pleasure to be able to address your committee on behalf of Andres E. Mendez, the Director of the Department of Veterans Affairs. This hearing has been scheduled by the Sub-committee on Education, Training and Employment to review and evaluate the administration and effectiveness of laws enacted by the Congress to assist veterans in obtaining job assistance and employment through the implementation of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77.

Although the Emergency Veterans' Job Training Act of 1983 is still in its early stages of implementation, we in the department, as chief advocates for Veterans in the State of California, are concerned about its chances for success. Indeed, we hope it will be successful. We do, however fear its chances for success are limited because the Act does not provide federal funding for resources to effectively coordinate local program implementation. This is absolutely essential in order to carry out its provisions, especially with the hard to place.

The aim of this legislation, to assist the hard-to-employ veterans in obtaining employment by offering incentives to employers to train these people, is commendable. Our concern is that not enough is being done to insure that the veterans succeed in obtaining the opportunity to be trained and succeed in the training. We also believe the Veterans Support Personnel from both the Veterans Administration and local entities will find it difficult to coordinate activities for individual veterans. This will be true primarily in cases where veterans live in rural or other outlying areas. The states where severe local cuts in budgets and personnel may already be in place will find it increasingly tough to monitor the performance of the total community teams (Veterans Support Personnel).

The majority of the veterans that will participate in this program tend to have a disappointing track record in the labor market. Although this program was proposed to reverse this trend, we feel that the law does not adquately provide the necessary structure to fulfill its purpose. Specifically, the areas we see that need further development are the following: (1) extensive job preparedness, training and counseling. Additionally, these veterans require (2) basic job search skills, (3) an understanding as to why they have failed in the past and the development of new tools required for success in the future.

For many of these veterans, this may mean to simply provide assistance in the preparation of a resume or the basic understanding of employer expectations. In some cases, extensive psychological counseling may be required.

In addition to preparing the veteran for new employment, employers will also need to be encouraged to participate in this program. We suggest that employers be provided with information on the benefits of the program and, when appropriate, the unique qualities of the individual veteran participants

THE QUESTION OF ELIGIBILITY AND CERTIFICATION

The Federal Government cannot assume local employers, industries and corporations will be interested in providing jobs or for that matter be very excited about getting involved when turn-around time (under the best of circumstances) takes 30 days or more, and where the Veterans Administration must certify the veteran. Private industry does not look kindly toward additional red tape or excessive delays in getting on with their tasks. Time is money, and wasted time could cost more to employers than the program is worth.

As noted earlier, we believe this legislation should include administrative funds for local staff to implement the program. Obviously this new program is a heavy responsibility placed on the federal Veterans Administration, the Employment Development Department, other job service personnel, who are already having difficulty handling the existing workload. The California Department of Veterans Affairs which handles thousands of requests for information. DD214's, Claims and Benefits, etc. has not even been included in the network of employment resources nor considered relative to expenditures which will be made in general claims and information services. The federal government loses the resources of 50 state Departments of Veterans Affairs by not establishing formal linkages with these state agencies.

The department strongly believes that if this program is to succeed, it will need funding for the coordination of this effort. With all the multitudes of people, resources, committees, and linkages, the question remains—who will coordinate the coordinators and who will take the responsibility for this vital part of the whole?

Thank you for the opportunity to address your committee. If you have any questions I will be pleased to respond.

PREPARED STATEMENT OF G. ROBERT BAKER, TEAM LEADER, SAN DIEGO VET CENTER

Mr. Chairman, the Vietnam Veteran Readjustment Counseling Program, also known as Operation Outreach, was authorized in June 1979 by Public Law 96-22 and implemented by the Veterans Administration in October 1979. The program was established to seek out and help those Vietnam Era Veterans who had readjustment problems such as relationship difficulties, nightmares, isolation, alcohol and/or drug addiction, and difficulties with the related issues of underemployment and unemployment. Storefront counseling centers were established and manned with counselors who had either served in The Nam or were aware of the special problems facing Veterans with readjustment problems.

Public Law 96-22 initially authorized the Outreach Program for two years. Public Law 97-72, signed in November 1981, reauthorized the Centers for an additional three years, through September 30, 1984. Public Law 98-160 has extended the Outreach Program through September 30, 1988.

The importance of Public Law 98-77, the Emergency Veterans' Job Training Act of 1983 cannot be overemphasized. For the first time since the Vietnam War, the Vietnam Era Veteran will have the opportunity to engage in a process that will help remove the barriers to meaningful career-oriented employment. The Vet Center is prepared and willing to work with Vietnam Era Veterans eligible under this law who have employment barriers such as low self-esteem, poor work habits, family problems, sleep disturbances or any other readjustment problems he or she may have due to their involvement in the military during the Vietnam Era. We will work together with those agencies mentioned below and any other agency that needs a place to refer the Vietnam Era Veteran for employment and other readjustment difficulties.

In San Diego and Imperial Counties, there are over 100,000 Vietnam Era Vets. During the first quarter of the 1984 fiscal year, the Vet Center has seen 613 Vietnam Era Veterans for a total of 1,109 separate hour-long visits. Veterans from this pool have spent 509 visit hours with the Disabled Veterans Outreach Program Counselor requesting employment assistance. Of this group only twenty-four veterans have actually been hired. San Diego Vietnam Era Veterans need the special assistance of Public Law 98-77 to help turn the employment picture around for them.

I am especially pleased to see the cooperation between the Veterans Administration Regional Office, Department of Labor, Employment Development Department and the Vietnam Veteran Community in developing an on-going liaison to ensure the smooth operation of this most important job and training initiative.

It is also imperative that the employers of San Diego and Imperial Counties be educated as to the benefits of hiring a Vietnam Era Vet and of the extra monetary incentive given by Public Law 98-77. I am optimistic that the combined efforts of the Veterans Administration Regional Office, San Diego Private Industry Council,

and the Coalition of San Diego Vietnam Veterans, coupled with the Regional Employment and Training Consortium, the State Department of Employment Development and the Department of Labor will successfully communicate to employers and eligible veterans the intent of this subcommittee.

In summary, the Vet Center, authorized by Congress in 1979 and recently reauthorized until 1988, has been charged with the responsibility of providing Readjustment Counseling for the Vietnam Era Veteran. There are over 100,000 Vietnam Era Vets in San Diego and Imperial Counties. Over 600 Era Vets have been seen during the first quarter of Fiscal Year 1984 at the Vet Center. Over 509 client hours have been spent by the Disabled Veterans Outreach Program Counselor resulting in the actual hiring of 24 vets. San Diego needs the special assistance of Public Law 98-77 to turn the employment picture around. The Vet Center is willing and able to work with the Vietnam Era Vet needing special assistance for job readiness. I am confident that the Veterans Administration Regional Office, Private Industry Council, Coalition of Vietnam Veterans, Employment Development Department, Regional Employment and Training Consortium, and the Department of Labor will successfully communicate to employers and eligible vets the intent of this Job and Training Act.

PREPARED STATEMENT OF TED OWEN, SECRETARY, VIETNAM VETERANS LEADERSHIP PROGRAM, SAN DIEGO, CALIF.

Mr. Chairman and members of the committee, my name is Ted Owen and I am the vice president for military affairs of the Greater San Diego Chamber of Commerce. I also serve as secretary of the board of drectors of the Vietnam Veterans Leadership program of San Diego, Inc. (VVLP). The VVLP is a volunteer community effort depending on the support of local employers, Government officials, professionals and leaders of civic and veterans organizations. On behalf of the VVLP, I would like to thank you for giving us this opportunity to appear before your committee. With me today is Dr. John Blum, president of the board of directors and our executive director, Paul A. Grasso, Jr.

Your subcommittee is charged with the responsibility of addressing issues relating to veteran education, training, and employment. Currently, there are two major pieces of legislation designed to assist veterans to receive employment and training—the Emergency Veterans Job Training Act and the Job Training Partnership Act. In the EVJTA, a mechanism has been created by which veterans, especially job willing and job ready veterans, can obtain employment that has upward mobility; jobs which can become a part of their lives, jobs with a potential for career development. Through the JTPA, a system has been developed to serve those veterans who are less ready, either vocationally or psychologically, to enter the labor force. Operating in tandem, these programs have the potential to make significant in roads into the problem of veteran unemployment. It has been estimated that the potential applicant pool in San Diego for these programs is between 4,000 and 6,000 veterans. As of January 5th, 12 veterans have actually been successful in finding employment through the EVJTA. As of this same date, no JTPA title IVC programs for veterans in San Diego have been approved for funding.

I would like to focus my comments on strategies the VVLP feels should be employed to insure the success of this co-ordinated effort. As I am sure the committee is aware, there is no lack of veterans in need of employment training. The problem that we have experienced in San Diego in employment training programs for all target populations, is one of securing private sector involvement. The lack of an organized, effective communication and marketing effort may be a reason why so few veterans have been able to obtain employment.

We feel that there are three factors inhibiting private sector involvement:

1. Very often private sector employers have not been "asked" to become involved,
2. Many private sector employers have an inherent fear of the bureaucracy and the paperwork these programs often involve, and
3. There are still employers who have a negative image of the Vietnam veteran due to stereotypes created by their unfair portrayal by the media and their participation in an unpopular war.

Veterans who have served in combat face unique employment problems not faced by the majority of other veterans—a perceived lack of civilian related skills, service connected disabilities, and unfair negative stereotypes are among the Vietnam combat veteran's readjustment problems; problems which adversely affect employment potential.

If the nationwide program goal of creating 40,000 stable, permanent employment opportunities is to be achieved, greater emphasis must be placed on outreach, education, and participation by private sector employers. It has been our experience that the majority of employers in San Diego are relatively unaware of what the EVJTA or JTPA are or how they work. The situation that we would like to see created is one where the potential employer has at least a cursory knowledge of this act prior to the veteran coming to his office. To this extent, the VVLP, in conjunction with the Employment Development Department, has mailed letters and information packets to approximately 100 public sector employers to acquaint the personnel directors of those entities with the acts and to explain how they can assist them in hiring qualified employees, assist veterans, and reduce the personnel expenses for their agency. In addition, we are currently in the process of developing a letter to be mailed by the president of the Chamber of Commerce to the chief executive officers of companies identified as being in growth or demand industries encouraging them to support and participate in these programs.

However, a much more extensive effort is needed if we are to reach our goal of employing veterans through these acts. Traditionally, the short-coming of employment and training programs has been the lack of funds to conduct outreach and education to private sector employers. The machinery is "finely tuned" with regard to enrolling veterans and providing quality training; it is in the transition from training to unsubsidized employment that the system does not "operate on all eight cylinders." If these programs are to be successful, we believe that a comprehensive marketing plan including, but not limited to, the following strategies must be implemented:

1. Public service announcement's to the employer, not the veteran.
2. A media campaign in publications frequently read by businessmen.
3. A speaker bureau of qualified individuals to address business groups on the merits of these programs.
4. Sponsorship of employer workshops designed to assist potential employers to become acquainted with the acts and the procedures required to comply with them.
5. Sponsorship of workshops to assist veterans who have been certified as eligible on how best to utilize the EVJTA and to inform them of successful stratagies used by other veterans in finding employment.

In the past, the VVLP has enjoyed an excellent working relationship with both the Veterans' Administration and the Employment Development Department and we stand ready to assist them in conducting outreach into the private sector. We would ask this committee to encourage the Veterans' Administration and Department of Labor to allocate sufficient staff and resources to enable these agencies to carry out what we precieve to be the most vital component of this program—the marketing of employment and training programs for Vietnam veterans to the private sector.

Finally, a situation has brought to our attention which causes us some concern; it deals with a potential tax liability to the employer for the money he is reimbursed through the EVJTA. Although it was not the intent of Congress, it is our understanding that the reimbursement is being treated as income and taxed accordingly. This may prove to be a disincentive to employers and a major drawback to the program. The National VVLP Office, in conjuction with Senator Alan Cranston's office, is attempting to resolve this issue. We would also ask that your committee work closely with both offices on this matter.

In conclusion, I would like to add that San Diego has a very cohesive veteran community. We have an excellent working relationship with the Veterans' Administration, the Employment Development Department, the regional employment and training consortium, and locally elected officials. If a city exists where and EVJTA and JTPA could flourish it is here. We ask your assistance in providing the publicity to make that potential a reality.

STATEMENT OF DAV REPRESENTATIVE, DON POULIOT, TO THE HOUSE VETERANS' SUBCOMMITTEE ON EDUCATION, EMPLOYMENT AND TRAINING IN SAN DIEGO, CALIF., JANUARY 12, 1984

Congressman Leath and Congressman Solomon. Good Morning. I am Don Pouliot, Aide to the National Commander of the Disabled American Veterans, Dennis A. Joyner. Commander Joyner regrets that he could not be here this morning and requested that I speak for our 830,000 members.

Although implementation was delayed almost two months, early signs indicate that the Emergency Jobs Training Act of 1983 (Public Law 98-77, 98th Congress)

will be a tremendous shot in the arm in reducing the high number of unemployed veterans. We wholeheartedly concur in the remarks of Representative E. G. "Sonny" Montgomery, the Veterans Affairs Committee Chairman, when he stated: "This modest program will not only get veterans working again but it will also narrow the gap between veterans and their civilian counterparts whose education and employment were not interrupted by military service."

Government and veterans organizations that are involved with job-seeking veterans are elated and enthusiastic about the potentiality of the program. Also—and most important—employers and veterans alike praise the new opportunity for jobs. With your permission, I would like to include in the records of this hearing, a copy of the excellent article hailing the Emergency Jobs Training Act of 1983 which appeared in the Sunday, January 8, 1984 edition of the San Diego Union.

We in the DAV are very much aware of the critical support provided by the members of this subommittee and the House Veterans Affairs Committee. Our National Commander publicly expressed the thanks and appreciation of our organization to you, Congressman Marvin Leath and to you, Congressman Gerald B. Solomon, and to Representative "Sonny" Montgomery and Representative John Paul Hammerschmidt, plus others, for your vital contributions in the enactment of Public Law 98-77.

Additionally, we appreciate your consideration of the problems which could be encountered by disabled veterans participating in the program and your thoughtfulness in including a provision in the Act which extended the period of training for veterans with service-connected disabilities. The DAV is particularly pleased that the administration of the new program is in the capable hands of the Veterans Administration and the Department of the Labor. Both of these agencies are proven champions of all veterans and we know that they will aggressively pursue every opportunity for jobs that will reduce the unemployment rate among our Nation's veterans.

I have mentioned the excitement that the Act has generated—concerns have also been expressed. They are:

(1) The DAV hopes that the Veterans Administration, the Department of Labor and even the Veterans Affairs Committee, will closely monitor the employment progress during the first year to ensure that employers provide meaningful jobs leading to new careers—not dead-end jobs.

(2) The Act authorizes $150,000,000 for each of fiscal years 1984 and 1985. To date, according to our Washington office, there are no funds included in the budget for next year. We request that the Veterans Affairs Committee urge Congress to include the $150 million in the fiscal year 1985 budget as authorized.

The emergency jobs program will pay the employers 50 percent of the starting wages, up to $10,000. The question has arisen as to whether or not the reimbursable amount paid the employer is taxable or nontaxable. We realize that the tax decision will be made by the Internal Revenue Service. We hope that the ruling is nontaxable. Such a ruling would provide the employers with an even greater incentive to hire the jobless veterans. One VA Regional Office official advised, "If the IRS rules that the employer's reimbursable amount is nontaxable, our phones will ring off the wall with job opportunities."

We thank you for listening to our comments and we wish the greatest success for the program. The plan cannot miss because it is not a "handout"—it is a "helping hand" extended by our grateful Nation.

Thank you for what you have done and all you are doing for our country and its veterans. And thank you for permitting me to appear before you today.

[From the San Diego Union, Jan. 8, 1984]

EMPLOYERS, VETERANS HAIL JOB PROGRAM

(By Diane D. Lindquist)

When a job for a sales representative opened recently at Arc-Lectric Corp. in downtown San Diego, owner and president Jerry Klein was among the first in the nation to make use a new federal program to fill the position.

The program, established through the Emergency Jobs Training Act, pays the employer 50 percent of the worker's salary during on-the-job training or retraining period if the person hired is a veteran of the Korean or Vietnam war eras.

By participating in the program, Klein was able to save half of what it might have cost him to hire and train the worker he needs to sell the more than 15,000

electrical components the firm stocks. The program also provided a job, and possibly a new career, for a Vietnam-era veteran who had been out of work for at least 15 weeks.

"This is complicated business," Klein said. "There's a lot of technical skill needed, knowledge of how to suggest the most beneficial product in construction or in industry. It calls for properly trained people or else the consumer won't be able to do a proper job."

"When this opening came up, we found out that this (the program) was just coming on line.We were very happy to jo.n in," Klein said.

At least eight other firms in San Diego County also have taken advantage of the nationwide program in its first month in operation, said Steve Brown of the U.S. Labor Department.

It is being administered jointly by the Veterans Administration and the Labor Department. The program is considered the first to offer such incentives to employers in an attempt to reduce unemployment that is especially high among Vietnam-era veterans.

Last year Congress appropriated $150 million for the program. Under the plan, the salary of the trainee is limited to a total of $10,000 and the training period is a maximum of 15 months for disabled veterans and 9 months for other veterans.

Veterans need not have served in either Korea of Vietnam—only during those conflicts—to be eligible for the program, Brown said. They must have been unemployed for at least 15 of the 20 weeks before getting the job.

Employers who agree to hire and train veterans must certify that they plan to keep them on the payroll after the training has been completed.

The training must be in a growth industry and either be in an occupation requiring technical skills or one in which demand exceeds the supply of workers.

"Jobs cannot be seasonal or temporary" Brown said. "They cannot be one where the income is paid on commission. They cannot be with political or religious activities or with the federal government.

"Anything else that has some potential for the future is wide open."

There are no special incentives for hiring disabled, black or Hispanic veterans, he said.

Ken Armitage, who runs Sorrento Ready-Mix in Del Mar, took advantage of the program to train a new diesel mechanic.

"Somehow the program just fell in my lap," he said. "Sometimes it's difficult to locate someone with the technical aptitude that we need."

But with the program he was able to hire a veteran who had some mechanical experience and now is learning to work on the company's 25 to 30 diesel vehicles, which Armitage says are often in need of repair.

Although I wasn't in essence going after the savings in salary, this individual has worked out very well for us." Armitage said. "In fact, we've increased his salary by $2 an hour."

Local officials of veterans groups and organizations that work with unemployed veterans were equally enthusiastic.

"It offers the best opportunity to date, not only to veterans—Vietnam-era and Korean-era veterans—of any program that I have seen come along," said Robert Van Keuren.

Van Keuren, president of the San Diego chapter of Vietnam Veterans of America and an Occupational Training Services counselor, is helping to coordinate the program between the state Employment Development Department and the Veterans Administration, which have been charged with administering it.

He praised the plan as opening opportunities to veterans for new careers, not merely jobs.

"The Vietnam veteran community is extremely excited about it," Van Keuren said. "Our problem, quite frankly, is getting the word out to the private sector about what the benefits are to them. Obviously, the benefit is if you're able to bring someone in and train them in an area comparable with the skills you're looking for and the savings."

Joe Kirkbride, another Labor Department spokesman, said, "We don't have to go out looking for unemployed veterans, we know who they are. The hard part is developing jobs in the private sector and getting the word out to employers that this is a simple program that helps the veteran, the country and themselves."

He and others stressed that the program has been designed to require a minimal amount of paper work for the employer.

The program's greatest flaw, they said, was that it would not provide enough funds to significantly reduce the total unemployment rate among veterans.

There are an estimated 100,000 Vietnam War-era veterans in San Diego County and 6,000 in Imperial County, according to Bob Baker, who heads the Vets Center in San Diego.

"If you look at the unemployment rate of 9 to 11 percent you have about 10,000 of the Vietnam-era in this area that would be basically eligible," he said. The inclusion of Korean-era veterans would boost the figure even higher.

But the Labor Department's Brown calculated that only 15,000 to 25,000 veterans in the entire nation could be hired with the amount of money available at present. The money is being committed on a first-come, first-served basis.

"From my perspective, the funds are inadequate to address the national problem," Van Keuren said. "Used with other employment and training programs that are available, it's a help.

"Perhaps the best thing that could happen is if the funds are used up and the public sector responds by saying, 'This program worked. We were able to hire and train veterans.' And perhaps there will be additional allocations."

TESTIMONY OF VIETNAM VETERANS OF AMERICA

Mr. Chairman and committee members, my name is Robert Van Keuren, I am president of the Vietnam Veterans of America, Chapter 125 in San Diego. I am employed by occupational training services, a non-profit community based organization, as a vocational counselor and project coordinator for veterans employment and training programs.

I would like to address you today concerning three topics. I will give a brief overview of the recent history of employment and training programs administered by our service delivery area [S.D.A.], the regional employment and training Consortium [RETC], I will speak to the Administration and effectiveness of Public Law 98-77 to date in San Diego, and I will discuss the broader issue of overall veteran employment and training as it relates to program goals, strategies and regulations.

We have been fortunate in San Diego in that communication and cooperation between the veteran community, elected officials and the regional employment and training consortium has resulted in the development and continued commitment to the design and operation of quality employment and training programs for veterans, and the Vietnam-era veteran in particular. In November 1981, the Policy Board of San Diego's R.E.T.C. authorized and funded the Vietnam veteran's employment initiative, a job and training program for Vietnam veterans in San Diego County.

The initiative, the most comprehensive job training effort for Vietnam veterans in the United States, was a direct result of the efforts of then San Diego Mayor Pete Wilson and the Vietnam veteran community. The initiative consisted of five elements:

1. Direct performance contracting;
2. Veteran employment training program;
3. Veterans job pledge campaign;
4. Vouchered training for veterans; and
5. Ten-percent service goal in RETC programs for Vietnam veterans. This element has been retained by RETC since the initiative.

The result of this comprehensive effort was that over 1,200 veterans were served. The program that was felt to have most directly served the target population was the vouchered training for veterans project which provided skills training and job placement by a combination of on site classroom skills training, job search and job readiness assistance and, in some cases, employer reimbursement for on-the-job training. The overall positive termination rate for this project was 85 percent.

The success of the V.T.V. project and the entire Vietnam veterans employment initiative was not the result of one person, program or organization. Rather, it was the result of communication and cooperation between all the necessary players. Without the needed cooperation and input from the employment development department, the R.E.T.C., The Veterans' Administration, public and private sector employers and skill trainers, various social service agencies and the veteran community, the overall success of the initiative would have been reduced and, most importantly, the number of veterans helped would have been significantly lessened.

This obviously brings us to my second topic; the administration and effectiveness of Public Law 98-77 in San Diego. If our efforts are to be successful in assessing the maximum number of eligible veterans and employers to this program, thereby obtaining our desired goal, employed veterans, then we must re-establish and strengthen the coalition that was so effective during the Vietnam veterans employment initiative.

The Department of Veterans' Benefits, Circular 20-83-25, appendixes B and C, October 1983, speaks to the need of maximizing the use of existing community resources. Particular emphasis is placed upon outreach and linkages with local business organizations, veteran organizations and organizations providing job development, employment services and supportive services.

In the belief that the re-establishment and strengthening of linkages developed as previously mentioned is essential the San Diego Vietnam Veterans of America and the San Diego Vietnam veterans leadership program have made initial contact with the regional employment and training consortium for the purpose of soliciting the support and active involvement of the San Diego private industry council.

The San Diego private industry council emphasizes, in their mission statement, their desire to use not only the Jobs and Training Partnership Act, but also other public and private resources to accomplish their goals. These goals are to train and place unemployed and underutilized San Diegans into jobs and to assist employers in meeting their need for skilled workers. Formal linkage with those agencies charged with the administration of Public Law 98-77 would greatly aid them in their task, particularly as it relates to the PIC's intent to target services to groups facing substantial barriers to employment.

We recommend that the PIC approve and endorse linking the EVJTA with local JTPA program. In addition, we encourage the PIC to designate an Ad Hoc Committee to assist in the required coordination efforts to implement the EVJTA locally. These efforts should include, but not be limited to, the identification of key players, outreach to eligible veterans, training needs and plans for training, outreach to employers and use of the media resources the PIC has at its disposal.

Finally, I would like to speak to the broader issue of overall veterans' employment and training as it relates to program goals, strategies and regulations under the J.T.P.A. Locally administered programs for the employment and training of veterans under the J.T.P.A. should be structured to provide the maximum benefit delivery possible to the veteran, given the resources that can be made available. This should occur without penalty to the veteran or to the service provider.

The establishment of criteria for the determination of "positive termination" for veterans need to recognize outcomes that can be realized for this population identifying and using all the resources available.

At this time, the category of "return to full time school" is not recognized as a "positive termination" for veterans in San Diego. This means that veterans enrolled in J.T.P.A. programs who, during the establishment of an employability development plan are able to identify resources specifically allocated for their use for an extended educational opportunity, and use that opportunity, are viewed as a "negative termination" under the current system.

It is during the establishment of an employability development plan that a veteran, for the first time, may become aware of the availability of the G.I. bill extension program, or make application for vocational rehabilitation to the Veterans' Administration for a service-connected disability. While it is not the duty of service providers under J.T.P.A. to refer veterans to programs for extended educational opportunity, I believe it in the best interests of all for this process to occur.

I would recommend that a review of the current policy of program termination categories for veterans be reviewed and revised in order that it may reflect those outcomes which can be realized for veterans who are able to take advantage of an extended educational opportunity. This would result, in the long run, with providing our community, and its employers, with a higher quality, better trained, applicant and would not penalize the service providers in terms of their overall positive outcome goals.

Thank you for the opportunity to address this committee.

PREPARED STATEMENT OF CHARLES R. GILLINGHAM, DEPARTMENT OF CALIFORNIA, VETERANS OF FOREIGN WARS OF THE UNITED STATES

Mr. Chairman and members of the Subcommittee on Education, Training and Employment of the Committee on Veterans Affairs, U.S. House of Representatives.

I am a veteran and retired from the U.S. Army. I also retired from the California State Employment Development Department where I served as a local office Veterans Employment Representative. My appearance before you today is as a representative of the Department of California, Veterans of Foreign Wars of the United States. I presently hold the office of the Civil Service & Employment Committee Chairman in the Department and I am a member of the VFW National Civil Service & Employment Committee. In addition, I am the present Secretary-Treasurer of

the California State Veterans Employment Committee, an advisory body to the Director, California State Employment Development Department.

I would first like to call attention to the provisions of Section 2004, Chapter 41, Title 38, United States Code, as amended, covering the employees of local offices of the State Employment Agencies. This section calls for the assignment of a Veterans Employment Representative (LVER), preferably veterans or other eligible persons, on the staffs of local employment service offices. In the State of California we have 97 full time LVERs and approximately one third of them are nonveterans according to the Director, VETS-USDOL. The local office Veterans Employment Representative has functual supervision over the services provided veterans by the local office. We cannot feel comfortable with the assignment of nonveterans to supervise services to veterans. I have been told that this is a State problem, however, the problem originates in the wording of Title 38, USC where it says, "preferably eligible veterans or eligible persons." We would like to see the wording of Section 2004, Chapter 41, Title 38, USC changed from "preferably eligible veterans or eligible persons" to "must be an eligible veteran or eligible person". The Disabled Veterans Outreach Program Specialists are all veterans because it is required by law and we would like to see the Local Office Veterans Employment Representatives provided the same provisions of law.

Public Law 98-77, "Emergency Veterans Job Training Act of 1983" dated August 15, 1983 states that the purpose of this Act is to address the problem of severe and continuing unemployment among certain wartime veterans who have been unemployed for long periods of time. The Act limits assistance to Vietnam era and Korean conflict veterans. The Vietnam era has been over for almost eleven years so that if a veteran was 19½ years old at the end of the Vietnam era, he would be 30 years of age now, and Korean conflict veterans are now 40 years of age or older. We are therefore talking only of those veterans who are thirty years of age, or older, and who have been unemployed for 15 or more weeks. Many of the veterans from the Korean conflict, like myself, are in their seventies and are no longer in the labor market. Some eligible veterans find suitable employment in their own field. Others, through necessity, accept immediate employment as guards, dishwashers or in a car wash and are underemployed. Those eligible file for unemployment insurance and the LVERs and the DVOPs of the State Employment Agencies spend 15 weeks attempting to assist them in locating suitable employment. At the end of 15 weeks those remaining are predominantly hard core unemployed. This law limits the issuance of Certificates of Eligibility to this remaining group of veterans, all over 30 years of age.

Some years back the State Employment Service Agencies started referring to employers those applicants most in need of assistance, those who had been unemployed the longest. The result was that the employers decided that they could do better on their own and the new job orders declined. It has taken the State Agencies several years to overcome this practice. I am afraid that this will be repeated in the case of the Emergency Veterans Job Training Act of 1983. Employers will be attracted by the carrot (up to $10,000.00 in training costs) in big brothers right hand but will become aware of the stick in his left hand.

While it is true that this law was targeted to assist this group of veterans, I believe the target is too narrow. It should be enlarged to allow Certificates of Eligibility to be issued, after careful adjudication by the Veterans Administration, to the newly separated veterans, those drawing unemployment insurance or welfare and those who, out of necessity, accepted employment far below their capabilities, regardless of the number of weeks unemployed. Employers have a much greater interest in the successful operation of their business than they have in correcting social injustices. They want the best employees in the labor market.

One additional inducement might be legislation or administrative action to provide tax credits for employers utilizing the provisions of the Emergency Veterans Job Training Act of 1983. The success of this program depends not on the Veterans Administration but on its acceptance by the employers.

The concept of a nationwide employment program under the Veterans Administration, with its computers and trained counselors, is a step in the right direction. It is believed that a nationwide program will accomplish more for less money than the fragmented and uncoordinated attempts of the hundreds of Service Delivery Areas across the country.

I would like to express my gratitude for the concern displayed by this Subcommittee in the employment problems of the veterans who served their country in time of need. We appreciate your efforts in our behalf and stand ready to assist you in any way we can.

PREPARED STATEMENT OF REASON F. WAREHIME, DEPARTMENT OF CALIFORNIA, AMVETS

Mr. Chairman, members of the Committee on Veterans Affairs, and fellow veterans. My name is Reason Warehime. I have been asked by the California AMVETS State Commander, Arden Johnson, to give testimony before you this day concerning the education, training, and employment of the military veterans.

Commander Johnson's reason for asking me to testify will become apparent after you realize that under the present system there are, perhaps, thousands of Disabled Veterans that are more or less in the same position as I, due to the indifference of the system and the way it is enforced.

A grateful nation has, through its elective representatives, given the military veterans a very elaborate remuneration in the form of Title 38 of the United States Code. For this we are very grateful. The only objection is that the method of dispensing these benefits has become so cumbersome and entangled in bureaucratic mismanagement that some veterans receive more than they are entitled to, while most are receiving not as much as they are entitled to, or nothing at all, which makes their very survival difficult or impossible to obtain.

The citizens of this country have just recently accepted the Vietnam veterans as the American Heroes they are. Having been involved with these men and those from Korea and World War II, I can assure you that even though the average citizen has accepted them, the average employer has not. To the average employer, including those that have that responsibility with Government agencies, time spent in the military was time spent playing cowboys and indians, and they have no need for cowboys or indians. Very few take into consideration the veterans experience in personnel and administrative leadership or the many technical skills that were learned in the military. Those employers that will accept veterans, back off from hiring those that are disabled. When the veteran is disabled the employer worries about insurance, public appearance, and possible time lost for hospitalization and/or illnesses.

I recall once when I had, out of 125 applicants for a position, came out first in the written and oral exams but still did not get the position, being told by the Personnel Officer of a California County that the county was reluctant to hire me because of my physical condition. To have had cancer, a back injury, or some other serious disease or injury, you might as well tell a Personnel Officer that you have leprosy.

I personally feel that Public Law 98-77 is a long needed and waited for law that can be of great benefit to the disabled and unemployed Veteran if it can be implemented on the veterans and employers level with the use of a mediating counsellor. Over the years there have been many beneifts granted to veterans which have been lost in the bureaucratic red tape of the oversized, sparsely established regional offices wherein the veteran has been, and in the case of Public Law 98-77, the employer will become just another piece of paper.

Take for instance a disabled veteran who lives in a small community in the center of California, as I do. To the Veterans' Administration employees at the San Francisco Regional Office he is several pieces of paper. He is a piece of paper for the purchase of his home, for his insurance he is another, for his schooling he is another, for his medical care he is another, and for his disability claim he can be one of many. For each of these pieces of paper the V.A. employee gets so many units of credit for sending answers to the veteran. The veteran is never a walking, talking, breathing individual who because of his military experience needs somebody's help. If Public Law 98-77 is to become a working reality and really assist the veteran I recommend that it be brought to the areas of personal contact with the veteran and the prospective employer, and I do not believe that it can be done by the Veterans' Administration Regional Offices or the Employment Development Department Offices. A few years ago the Government started the Veterans Outreach Centers. Everyone was surprised at how well they reached the Vietnam veteran. After one year of operation even the biggest skeptic had to agree that it was a working system. Why does this system work? Because it is a face to face, "I'll help you!" encounter with the individual veteran. To the counselors in those offices I am somebody, not just another piece of paper from which one Government employee reads that I have a blind eye, while another that I have been shot in the spine, while yet another in a different department notes that I would like to go to school. A counselor in a Outreach Center knows me and all of my problems and desires, and how to help me at the most reasonable cost to my Government.

Gentlemen, it is time, not only in implementing Public Law 98-77, but in implementing all the laws conerning aid and assistance to veterans, that the large administrative complexes with their tons of paper concerning our veterans be abandoned

and we bring our help for veterans to a person to person contact level instead of the bureaucrat and paper level.

PREPARED STATEMENT OF PETER T. CAMERON, PROGRAM ANALYST WITH THE CENTER FOR COMMUNITY ECONOMICS, INC.

Mr. Chairman, distinguished members of the committee, on behalf of the Center for Community Economics and Mr. James Stuart Director of the Veterans Survey Project I would like to thank you for this opportunity to inform you of the Veterans Employment and Training survey that we are currently conducting for the California Employment Development Department.

By way of background let me briefly describe our agency. The Center for Community Economics, Inc. is a non-profit corporation organized to provide counseling assistance to small business. C.C.E. began as a component of a Sonoma County Vietnam Veterans service agency in March 1978. In December 1979, the project was incorporated as C.C.E. and began to provide services intended to create employment positions by assisting individuals in the start up of small businesses. It has been found that small businesses create four out of every five new jobs in the economy, and by providing services to the small business community in the expansion of existing business or helping the start up of new businesses C.C.E. services help to increase the number of jobs available.

In part because of our extensive experience in the design, administration and evaluation of veterans programs and our first hand knowledge of the problems experienced by returning veterans we can provide a critical and effective assessment of the employment and training needs of veterans.

Under Section 441 (Title IV, Part C) of the new Jobs Training Partnership Act specific employment and training services are mandated for Vietnam Era, disabled, and recently separated veterans. The California E.D.D. and the Department of Labor Veterans Employment and Training Service have recognized the need for current and accurate information from the veterans themselves regarding their employment and related needs. Information that was not available at that time but crucial to the planning process and the development of effective training programs.

In June 1983 C.C.E. contracted with C.E.D.D. to design and implement a statewide survey of unemployed and underemployed Vietnam Era, disabled, and recently separated veterans. We are now two thirds through the primary survey that is divided into three phases.

In the first phase we conducted basic research, identified survey sites, designed the survey instrument, trained the interviewers, and tested it in a pilot survey at selected sites. After reviewing the results from the pilot and incorporating the input from the field into the finalized survey instrument we moved into Phase II, dissemination of approximately 5,000 surveys. I have attached a copy of the survey for your review. As of this date we have received back approximately 2,500 completed surveys, 1,000 of which have been randomly selected and tabulated and a copy of the data is attached for your reference and review.

Let me summarize the data for you, asking that we keep in mind that the numbers represent only a portion of the total surveys to be tabulated and although they point to certain questions it is premature for us to attempt any conclusive analysis.

Total Veterans Surveyed 1,000 (Vietnam Era 801):

Average Age—33.67 percent.

Sex: Male—95.0; Female—4.40 percent.

Served in Vietnam—401.

Marital Status: Married—47.4 percent; Separated—7.3 percent; Divorced—15.1 percent; Single—30.2 percent.

Race: White—61.7 percent; Black—20.6 percent; Hispanic—13.7 percent; Native American—1.4 percent.

Employed: 8.9 percent; Average hrs. per wk—29.3; Average income—$8938.79.

Unemployed: Average no. of wks—34.45 (Vietnam Vets 46.19); Average income—$8721.59.

Average Education: 12.62 yrs; H.S. Diploma—88.7 percent; College Degree—15.7 percent.

Veterans who have used: A.F.D.C.—9.4 percent; Food Stamps—18.2 percent; U.I.—35.3 percent; S.S.I.—2.9 percent; G.A.—5.3 percent.

Veterans who have used: G.I. Bill—40.4 percent; VA/O.J.T.—2.9 percent; VA/Rehab.—3.3 percent; CETA—8.8 percent.

Veterans who want upgrading in present occupation—68 percent.

Veterans who have no means of support while in training—74.4 percent.

Average monthly income needed while in training—$821.31.

Veterans whose present occupation relates to military occupation or training—26 percent (Vietnam Vets. 19.7 percent).

Some trends that may have significance are; (1) the number of weeks unemployed; 34.45 weeks for all veterans and 46.19 weeks for those who served in Vietnam. (2) Those veterans that have received AFDC, 10.74 percent for Vietnam Era; Food Stamps 18.2 percent and UI 35.3 percent; (3) the veterans who have no means of support while in training 74.4 percent; (4) Veterans whose present occupation relates to military occupation or training 26.6 percent.

There are several questions emerging that need further consideration among them are; why are those who served in Vietnam unemployed for longer periods than those who didn't? Why are only a little over a third of those Veterans surveyed receiving UI? Is it because they have exhausted their benefits, don't know about them, or are resistant to accepting UI? How do the percentages of veterans receiving AFDC and Food Stamps compare to non-veterans peers? What is the cost comparison with training? The majority of veterans surveyed have no means of support while in training, since JTPA does not provide stipends, is it appropriate for unemployed veterans? Is there a need for transition programs that provide military personnel with the means to effectively transfer their skills into civilian occupations?

We expect to have some of these answers as the survey concludes and be able to provide certain recommendations. It is becoming apparent that we have not, through participating agencies, been able to reach a representative number of Native American Veterans. Because of this and the obvious and acute needs of Native Americans in general we will over the next few months conduct a special survey to reservations, rancherias and other centers of Native American population.

In conclusion I would like to extend our appreciation to the C.E.D.D. and in particular Mr. John Healey, Interim Deputy Director Job Service and Mr. Glen Halsey who has been most helpful in coordinating our work with the Department. I would also like to thank Mr. Joseph Molinari, Regional Director for V.E.T.S. and Dr. Ron Miller, State Director V.E.T.S. for their support. And most sincerely our gratitude to Assemblyman, Richard Floyd and the Assembly Select Committee on Veterans Affairs without whose constant and astute viagilance the concerns of veterans would have no chance to be heard or acted upon.

My I again thank this committee for the opportunity to share our work, if you have any questions I would be pleased to answer to the best of my ability.

STATEMENT OF CHARLES A. CARPOWICH, SAN DIEGO, CALIF.

My name is Charles Alex Carpowich and I reside at 5144 Bloch St. San Diego, Ca. 92122. The subject of this statement is the Disabled Veterans Outreach Program (DVOP) and subsequent employment by the federal government.

I am a disabled Vietnam veteran and after my separation from the U.S. Navy in June of 1977, I was given employment under the DVOP program and I worked out of a State of California Employment Development Department (EDD) field office in San Diego. My primary duties were to develop jobs through employer visits and to make job placements for disabled and Vietnam veterans. After approximately 3 years of service in the DVOP program, I was offered and accepted employment in the federal civil service under the Veterans Readjustment Act (VRA).

My present duties are again with the U.S. Navy in the Family Services Program. Thanks to the G.I. Bill, my degrees in Counseling and Public Administration enable me to serve navy families with greater care, sensitivity and understanding.

Recently I spoke with a former DVOP co-worker and he explained that he had been hired permanently with the State of California E.D.D. He also stated that he was credited on the state rolls with the 3 years he had spent as a DVOP (Perhaps other states are doing this too). I began to think: If the State of California allows credit for DVOP time for longevity purposes, why can't the federal government? After all, this DVOP program was signed into being by a Presidential Executive Order, our salaries were being paid by the U.S. Department of Labor (via the various statehouses) and our work was evaluated not by a state official, but by an official of the U.S. Department of Labor with regional headquarters in San Francisco.

When I began to make local inquiries at various U.S. Civilian Personnel Offices I was politely told: "Regulations are regulations" or words to that effect.

I know I am not the only disabled Vietnam vet in San Diego in this situation. I feel sure that there are others in the State of California and many more throughout the country.

Will the subcommittee please help me and others to gain for federal civil service credit the time spent in the DVOP program? My wife and I still have five of our six children in school and residing with us at home and whatever extra benefits would accrue from the credit of DVOP time would help us very much.

I am truly thankful for the G.I. Bill, DVOP program, Veterans Readjustment Act and other generous federal veterans programs.

Would you consider yet another request?

Thank you.

U.S. DEPARTMENT OF LABOR,
Sacramento, Calif., February 29, 1984.

Hon. MARVIN LEATH,
Chairman, Subcommittee on Education, Training and Employment, Washington, D.C. 20515

DEAR CHAIRMAN LEATH: Attached are my responses to the written questions submitted by the House Committee on Veterans' Affairs, Subcommittee on Education, Training and Employment.

I wish to thank you again for the opportunity to appear before the subcommittee.

Sincerely,

RONALD L. MILLER, Ph. D.
State Director for Veterans' Employment and Training Service, California.

Attachment.

QUESTIONS AND ANSWERS FOR OFFICIAL HEARING RECORD

1. Have you developed any ways in which job training partnership act funds can be linked with Public Law 98–77?

1. None have been developed at this time.

2. a. What comments have employers made regarding the Emergency Veterans' Job Training Act?

a. Some employers are concerned about their IRS status if they take reimbursement.

b. Are there aspects of the legislation that they particularly like?

b. Employers are positive about Public Law 98–77 because it allows them to defray part of the training cost. It also appeals to their desire to serve.

c. Are they troubled by anything in the Act?

c. Some are concerned about the length of time between application and employing the veteran.

3. How have most of the jobs for veterans been obtained? Has contact been made through cold canvassing, employment service listings, or have employees initiated contact?

3. For the most part, the training slots came from door-to-door representation by the Job Service personnel. Employers are now beginning to hear of the legislation and are more frequently calling either the Job Service or the Veterans Administration.

4. a. What procedure is used to evaluate a veteran's employment history?

a. If the veteran seeks certification through the Job Service, the DVOP/LVER verifies the job record. Lengthy delays have occurred at the Veterans Administration when veterans' military status had to be certified. This delay appears to have been resolved by giving the adjudicators explicit instructions for certifying veterans. In almost all cases the procedure for job verification is left to the truthfulness of the veteran's statement.

b. Is this procedure satisfactory?

b. I think this procedure is satisfactory.

5. What is the average hourly wage being earned by veterans under Public Law 98–77 employment programs?

5. The average hourly wage for veterans in training under Public Law 98–77 in California is $5.00 per hour. This figure is subject to change as more employers are enrolled.

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